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## DEPARTMENT OF THE TREASURY

### Customs Service

### 19 CFR Part 102

**[T.D. 02–47]**

## Technical Corrections: Rules of Origin for Textile and Apparel Products

**AGENCY:** U.S. Customs Service, Department of the Treasury.

**ACTION:** Interim rule; corrections.

**SUMMARY:** This document makes technical corrections to the Customs Regulations to reflect the terms of the 2002 Harmonized Tariff Schedule of the United States within the country of origin rules for certain textile and apparel products. The document also corrects an error in the rules regarding the scope of the definition of the term ''textile or apparel product.''

**DATES:** These corrections are effective August 9, 2002.

**FURTHER INFORMATION CONTACT:** Shari Suzuki, Textile Branch, Office of Regulations and Rulings, U.S. Customs Service, 1300 Pennsylvania Avenue, NW., Washington, DC, 20229, Tel. (202) 572–8818.

**SUPPLEMENTARY INFORMATION:**

### Background

Section 334 of the Uruguay Round Agreements Act (URAA), Public Law 103–465, 108 Stat. 4809 (19 U.S.C. 3592), directs the Secretary of the Treasury to prescribe rules implementing certain principles for determining the origin of textiles and apparel products. Section 102.21 of the Customs Regulations (19 CFR 102.21) implements section 334 of the URAA.

On May 1, 2001, Customs published in the **Federal Register** (66 FR 21660), as T.D. 01–36, an interim rule amending § 102.21 of the Customs Regulations (19 CFR 102.21) to align the existing country of origin rules for certain textile and apparel products with the statutory amendments to section 334 of the URAA, effected by section 405 of Title IV of the Trade and Development Act of 2000. A technical correction to T.D. 01–36 was published in the **Federal Register** (66 FR 23981) on May 10, 2001.

### Need for Correction

Recent changes to the 2002 Harmonized Tariff Schedule of the United States (HTSUS) have resulted in the transfer of certain goods, for classification purposes, to newly created tariff provisions. Because of these classification changes, there are certain textile products which were intended under the scope of 19 U.S.C. 3592 to be covered by the rules of origin set forth in § 102.21 but, as a result of the changes to the 2002 HTSUS, are currently excluded from the scope of that regulatory provision or are not provided for within the tariff shift rules referenced in § 102.21(c)(2).

For example, it is noted that goods previously classifiable under heading 6002, HTSUS, which provides for ''other knitted or crocheted fabrics,'' are now classifiable under HTSUS headings 6002 through 6006 (as a result of the creation of new headings 6003 through 6006). As new HTSUS headings 6003 through 6006 are not included in the tariff shift rules set forth in § 102.21(e), the goods classifiable under these provisions are currently precluded from having their origin determined pursuant to § 102.21(c)(2). The technical corrections in this document amend the tariff shift rules in § 102.21(e) to add these new tariff provisions.

Similarly, a new subheading has been created at 4202.92.05, HTSUS, which provides for ''insulated food and beverage bags with an outer surface of textile materials.'' This document amends § 102.21 to include reference to this new tariff provision.

A technical correction to § 102.21 is also necessary to reflect that the listing in § 102.21(b)(5) of the HTSUS headings and subheadings that describe the textile and apparel products covered by these rules of origin inadvertently excluded a subheading which, pursuant to 19 U.S.C. 3592, should have been included. Section 102.21(b)(5) does not include subheading 9404.90.20, HTSUS, which provides for pillows, cushions, and similar furnishings of materials other than cotton. Section 3592, the statutory provision authorizing the rules of origin for textile and apparel products, explicitly includes subheading 9404.90, HTSUS, within the scope of the provision. *See* 19 U.S.C. 3592(b)(2)(A). Because § 102.21(b)(5) lists 9404, HTSUS, tariff provisions at a greater level of specificity (*i.e.,* to the 8-digit level) than is statutorily required (*i.e.,* to the 6-digit level), the regulation is inadvertently more restrictive in scope than the authorizing statute.

This document corrects § 102.21(b)(5) to reflect the terms of the authorizing statute to include HTSUS subheading 9404.90 as a tariff provision that is within the definition of a textile and apparel product covered by these rules of origin (and deletes the more specific tariff references to subheadings 9404.90.10 and 9404.90.80–95). By this correction, it is clear that pillows, cushions, and similar furnishings of materials other than cotton are textile and apparel products covered by the regulation. These changes will also serve to align § 102.21(b)(5) to § 102.21(e)(1) which lists a tariff shift rule for HTSUS 9404.90.

Lastly, this document corrects a typographical error in § 102.21(e)(1) whereby the number ''17'' inadvertently appears in the tariff shift rule for HTSUS 6301–6303.

For the reasons set forth above, this document makes technical corrections to § 102.21 to reflect the terms of the 2002 HTSUS, to conform § 102.21 to the scope of the authorizing statute, and to correct a typographical error.

### Executive Order 12866, Regulatory Flexibility Act, Inapplicability of Prior Public Notice and Comment Procedures and Delayed Effective Date Requirements

This document does not meet the criteria for a ''significant regulatory action'' as specified in Executive Order 12866. Because these amendments merely update the Customs Regulations by reflecting the terms of the 2002 HTSUS within the country of origin rules for certain textile and apparel products, and otherwise correct errors in those rules, Customs has determined, pursuant to the provisions of 5 U.S.C. 553(b)(B), that prior public notice and comment procedures on this regulation are unnecessary and contrary to the public interest and that pursuant to the provisions of 5 U.S.C. 553(d)(3), there is good cause for dispensing with a

delayed effective date. Because the document is not subject to the requirements of 5 U.S.C. 553, as noted, it is not subject to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*).

**Drafting Information**

The principal author of this document was Ms. Suzanne Kingsbury, Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service. However, personnel from other offices participated in its development.

**List of Subjects in 19 CFR Part 102**

Customs duties and inspection, Imports, Rules of Origin, Trade agreements.

**Amendments to the Regulations**

For the reasons stated above, part 102 of the Customs Regulations (19 CFR part 102) is amended as set forth below.

## PART 102—RULES OF ORIGIN

1. The authority citation for part 102 continues to read as follows:

**Authority:** 19 U.S.C. 66, 1202 (General Note 23, Harmonized Tariff Schedule of the United States), 1624, 3314, 3592.

2. In § 102.21:

(a) Paragraph (b)(5) is amended by removing the listings ''9404.90.10'' and ''9404.90.80–95'' and adding, in numerical order, the listings ''4202.92.05'' and ''9404.90'';

(b) The table in paragraph (e)(1) is amended by:

(i) Adding an entry, in numerical order, for ''4202.92.05'';

(ii) Removing the number ''6002'' from the entries in the ''Tariff shift and/or other requirements'' column adjacent to the ''HTSUS'' entries for 3005.90, 5810.91–5810.99, 5908, 5909, 5910, 5911.10–5911.20, 5911.31–5911.32, 5911.40, 5911.90, 6101–6117, 6210–6212, 6406.10.77, 6406.10.90, 6406.99.15, 6502, 6504, 6505.90, 8804, and 9113.90.40 and adding in its place the number ''6006'';

(iii) Removing the number ''6002'' from the entries in the ''Tariff shift and/or other requirements'' column adjacent to the ''HTSUS'' entries for 5608, 5801–5803, 5901–5903, 5905, 5906–5907 and 9612.10.9010 and adding in its place the phrase ''6002 through 6006'';

(iv) Removing the entry for ''6001–6002'' and adding in its place the entry ''6001–6006''; and

(v) Removing the number ''17'' from the entry in the ''Tariff shift and/or other requirements'' column adjacent to the ''HTSUS'' entry for 6301–6306.

The new entries read as follows:

**§ 102.21 Textile and apparel products.**

* * * * *

(e) * * *—(1) * * *

| HTSUS | Tariff shift and/or other requirements |
|---|---|
| * | * * * * * * |
| 4202.92.05 ..... | A change to subheading 4202.92.05 from any other heading, provided that the change is the result of the good being wholly assembled in a single country, territory or insular possession.'' |
| * | * * * * * * |
| 6001–6006 ..... | (1) Except for fabric of wool or of fine animal hair, a change from greige fabric of heading 6001 through 6006 to finished fabric of heading 6001 through 6006 by both dyeing and printing when accompanied by two or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing; or,<br>(2) If the country of origin cannot be determined under paragraph (1) of this entry, a change to heading 6001 through 6006 from any heading outside that group, provided that the change is the result of a fabric-making process. |

* * * * *

Approved: August 6, 2002.

**Robert C. Bonner,**

*Commissioner of Customs.*

**Timothy E. Skud,**

*Deputy Assistant Secretary of the Treasury.*

[FR Doc. 02–20166 Filed 8–8–02; 8:45 am]

**BILLING CODE 4820–02–P**

## DEPARTMENT OF STATE

## 22 CFR Part 42

**[Public Notice 4093]**

## Visas: Documentation of Immigrants Under the Immigration and Nationality Act, as Amended—Diversity Visas

**ACTION:** Interim rule with request for comments.

**SUMMARY:** This interim rule makes certain amendments to the regulations implementing the Diversity Visa (DV) Program. The amendments are necessary to further clarify statutory requirements and to enhance the Department's ability to combat fraudulent practices in the DV Program. The Department is also amending the regulations to further clarify the definition of ''high school education or its equivalent,'' to eliminate the use of the Dictionary of Occupational Titles as a means to determine the applicant's work experience, and to define further acceptable photographs.

**DATES:** *Effective Date:* This rule takes effect on September 9, 2002.

*Comment Date:* Please submit written comments no later than September 9, 2002.

**ADDRESSES:** Interested persons are invited to submit comments in duplicate to: Chief, Office of Legislation and Regulations, Visa Office, Department of State, Washington, DC 20520–0106, by fax at (202) 663–3898, or by e-mail to *VisaRegs@state.gov.*

**FOR FURTHER INFORMATION CONTACT:** Pam Chavez, Office of Legislation and Regulations, Visa Office, phone (202) 663–1206, or e-mail *chavezpr@state.gov.*

**SUPPLEMENTARY INFORMATION:** The DV Program is provided for in sections 201(a)(3), 201(e), 203(c) and 204(a)(1)(G) of the Immigration and Nationality Act (INA), as amended. The Department's regulations are found at 22 CFR 42.33.

**How Is the Department Amending Its Regulations?**

*O*Net OnLine replaces ''Dictionary of Occupational Titles''*

The Department of Labor no longer maintains or publishes the Dictionary of Occupational Titles which has been used as a means for determining an applicant's work experience. Therefore, beginning with cases processed for the DV 2003 Program, the Department of Labor's O*Net OnLine will be the only source of information used to determine qualifying work experience. The O*Net OnLine can be accessed at *http://online.onetcenter.org.*

*Photographs for Applicant and Dependents*

The Department is also modifying its regulations regarding the photograph to be submitted. Photographs submitted for the 2004 DV Program must be between

1½ by 1½ and 2 by 2 inches or (37 to 50 mm) square. Photos showing the alien with hats or head coverings are acceptable but only if they do not obscure any portion of the applicant's face.

**Why Are the Regulations Being Modified?**

During the processing of the immigrant visa applications of aliens selected to compete for immigrant visas in earlier years, several consular offices encountered cases in which the visa applicant was proven, or strongly suspected, to be an impostor—that is, not the individual who had submitted the petition which had been selected. Thus, in order to provide additional deterrents to such abuses, the Department is amending its regulations. Also, the Department is amending its regulation regarding the work experience requirement. Since the Department of Labor no longer maintains or publishes the Dictionary of Occupational Titles, the Department of Labor's O*Net On-Line will now be the only source of information used to determine whether an applicant meets the work experience requirement.

**Interim Rule**

*Administrative Procedure Act*

The Department's implementation of this regulation as an interim rule is based upon the ''good cause'' exceptions found at 5 U.S.C. 553(b)(B) and (d)(3). The publication of this rule as an interim rule will allow sufficient time for interested persons to comment on the regulatory changes and allows for timely registration for the DV–2004 Program scheduled for early October 2002.

*Regulatory Flexibility Act*

The Department of State, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed this regulation and, by approving it, certifies that this rule will not have a significant economic impact on a substantial number of small entities.

*Unfunded Mandates Reform Act of 1995*

This rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

*Small Business Regulatory Enforcement Fairness Act of 1996*

This rule is not a major rule as defined by section 804 of the Small Business Regulatory Enforcement Act of 1996. This rule will not result in an annual effect on the economy of $100 million or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic and export markets.

*Executive Order 12866*

The Department of State does not consider this rule, to be a ''significant regulatory action'' under Executive Order 12866, section 3(f), Regulatory Planning and Review. Therefore, in accordance with the letter to the Department of State of February 4, 1994 from the Director of the Office of Management and Budget, it does not require review by the Office of Management and Budget.

*Executive Order 13132*

This regulation will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with section 6 of Executive Order 13132, it is determined that this rule does not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement.

*Paperwork Reduction Act*

This rule does not impose any new reporting or record-keeping requirements.

**List of Subjects in 22 CFR Part 42**

Aliens, Documentation, Immigrants, Passports and visas.

Accordingly, 22 CFR part 42 is amended as follows:

## PART 42—[AMENDED]

1. The authority citation for part 42 continues to read as follows:

**Authority:** 8 U.S.C. 1104; 2651a.

2. Amend § 42.33 as follows:

a. By revising paragraphs (a)(2) and (a)(3); and

b. By revising paragraphs (b)(1)(iii), (b)(2), (b)(3), and (b)(4)(ii) to read as follows:

### § 42.33 Diversity immigrants.

* * * * *

(a) * * *

(2) *Definition of high school education or its equivalent.* For the purposes of this section, the phrase *high school education or its equivalent* shall mean successful completion of a twelve-year course of elementary and secondary education in the United States or successful completion in another country of a formal course of elementary and secondary education comparable to completion of twelve years' elementary and secondary education in the United States. In order to be considered comparable to a U.S. high school education, a foreign course of study must provide the alien with the minimum academic records required for admission to study in U.S. universities or colleges as determined in the most recent edition of the publication entitled ''Foreign Credentials Required for Consideration of Admission to Universities and Colleges in the United States.

(3) *Determinations of work experience.* For all cases registered for the 2003 Diversity Visa Program, consular officers shall use the Department of Labor's O*Net OnLine to determine qualifying work experience.

* * * * *

(b) * * *

(1) * * *

(iii) Name(s), and date(s) and place(s) of birth of spouse and all child(ren), if any, (including legally-adopted and stepchildren, regardless of whether or not they are living with the petitioner or intend to accompany or follow to join the petitioner), but excluding those children who are already U.S. citizens or LPRs); and

* * * * *

(2) *Signatures.* The petitioner shall personally sign his or her signature on the sheet of paper, in his or her native alphabet. (Neither an initialed signature nor block printing of the petitioner's name will be accepted. The use of either will result in the disqualification of the entry).

(3) *Photographs.* The alien shall also affix to the entry a photograph of himself or herself and photographs of his or her spouse and all unmarried children under the age of 21 years. The photographs shall meet the following specifications:

(i) The photograph must be between 1½ by 1½ and 2 by 2 inches (37 to 50 mm) square;

(ii) The alien shall print his or her name and date of birth on the back of the photograph;

(iii) The alien must be directly facing the camera; the head of the person being photographed shall not be tilted up,

down, or to the side, and must cover about 50% of the photo area;

(iv) The photograph must be taken with the person in front of a neutral, light-colored background;

(v) The alien's face must be in focus;

(vi) The person in the photograph shall not wear sunglasses or other paraphernalia which detracts from the face;

(vii) Photos with the alien wearing head coverings or hats are only acceptable due to religious beliefs, and even then, may not obscure any portion of the face of the applicant. Photos of applicants wearing tribal, military, airline or other headwear not specifically religious in nature will not be accepted;

(viii) Photographs may be either color or black and white.

(4) * * *

(ii) *Form of mailing.* Petitions for consideration under this section shall be submitted by normal surface or air mail only. Petitions submitted by hand, telegram, FAX, or by any means requiring any form of special handling or acknowledgement of receipt such as express or priority mail, second day airmail, fax, hand or messenger delivery) will not be processed. The petitioner shall type or print legibly, using the Roman alphabet, on the upper left-hand corner of the envelope in which the petition is mailed his or her full name and mailing address, and the name of the country of which the petitioner is a native, as shown on the petition itself. Envelopes shall be between 6″ and 10″ (15 cm to 25 cm) in length and between 3½″ and 4½″ (9 cm to 11 cm) in width. Envelopes not bearing this information and/or not conforming to the restrictions as to size shall not be processed for consideration.

* * * * *

Dated: July 31, 2002.

**George Lannon,**

*Acting Assistant Secretary for Consular Affairs, Department of State.*

[FR Doc. 02–20211 Filed 8–8–02; 8:45 am]

BILLING CODE 4710–06–P

## DEPARTMENT OF JUSTICE

## 28 CFR Part 16

**[AAG/A Order No. 279–2002]**

## Privacy Act of 1974; Implementation

**AGENCY:** Department of Justice.

**ACTION:** Final rule.

**SUMMARY:** The Department of Justice, Bureau of Prisons (''Bureau''), is exempting a Privacy Act system of records from the following subsections of the Privacy Act: (e)(1) and (e)(5), pursuant to 5 U.S.C. 552a(j). The system of records to be exempted is the ''Inmate Central Records System, Justice/BOP–005''. This system continues to be exempted from the subsections of the Privacy Act as previously promulgated.

The additional exemptions are necessary to preclude the compromise of institution security; to better ensure the safety of inmates, Bureau personnel and the public; to better protect third party privacy; to protect law enforcement and investigatory information; and/or to otherwise ensure the effective performance of the Bureau's law enforcement functions.

**EFFECTIVE DATE:** This final rule is effective August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Mary Cahill, (202) 307–1823.

**SUPPLEMENTARY INFORMATION:** On May 9, 2002 (67 FR 31166) a proposed rule was published in the **Federal Register** with an invitation to comment. No comments were received.

This order relates to individuals rather than small business entities. Nevertheless, pursuant to the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601–612, this order will not have a significant impact on a substantial number of small entities.

### List of Subjects in 28 CFR Part 16

Administrative practices and procedure, Freedom of Information, Sunshine Act, Privacy.

Pursuant to the authority vested in the Attorney General by 5 U.S.C. 552a and delegated to me by Attorney General Order No. 793–78, 28 CFR part 16 is amended as follows.

## PART 16—[AMENDED]

1. The authority citation for Part 16 continues to read as follows:

**Authority:** 5 U.S.C. 301, 552, 552a, 552b(g) and 553; 18 U.S.C. 4203 (a)(1); 28 U.S.C. 509, 510, 534; 31 U.S.C. 3717 and 9701.

2. Paragraphs (j) and (k) are added to § 16.97 to read as follows:

**§ 16.97 Exemption of Federal Bureau of Prisons Systems—limited access.**

* * * * *

(j) The following system of records is exempted pursuant to 5 U.S.C. 552a(j) from subsections (e)(1) and (e)(5): Bureau of Prisons Inmate Central Records System, (Justice/BOP–005).

(k) These exemptions apply only to the extent that information in this system is subject to exemption pursuant to 5 U.S.C. 552a(j). Where compliance would not appear to interfere with or adversely affect the law enforcement process, and/or where it may be appropriate to permit individuals to contest the accuracy of the information collected, *e.g.* public source materials, or those supplied by third parties, the applicable exemption may be waived, either partially or totally, by the Bureau. Exemptions from the particular subsections are justified for the following reasons:

(1) From subsection (e)(1) to the extent that the Bureau may collect information that may be relevant to the law enforcement operations of other agencies. In the interests of overall, effective law enforcement, such information should be retained and made available to those agencies with relevant responsibilities.

(2) From subsection (e)(5) because in the collection and maintenance of information for law enforcement purposes, it is impossible to determine in advance what information is accurate, relevant, timely and complete. Data which may seem unrelated, irrelevant or incomplete when collected may take on added meaning or significance during the course of an investigation or with the passage of time, and could be relevant to future law enforcement decisions. In addition, because many of these records come from the courts and other state and local criminal justice agencies, it is administratively impossible for them and the Bureau to ensure compliance with this provision. The restrictions of subsection (e)(5) would restrict and delay trained correctional managers from timely exercising their judgment in managing the inmate population and providing for the safety and security of the prisons and the public.

* * * * *

Dated: July 31, 2002.

**Robert F. Diegelman,**

*Acting Assistant Attorney General for Administration.*

[FR Doc. 02–20208 Filed 8–8–02; 8:45 am]

BILLING CODE 4410–05–P

## DEPARTMENT OF JUSTICE

## 28 CFR Part 16

**[AAG/A Order No. 280–2002]**

## Privacy Act of 1974; Implementation

**AGENCY:** Department of Justice.

**ACTION:** Final rule.

**SUMMARY:** The Department of Justice, Bureau of Prisons (''Bureau''), is exempting a Privacy Act system of

records from the following subsections of the Privacy Act: (e)(1) and (e)(5), pursuant to 5 U.S.C. 552a(j). The system of records to be exempted is the ''Inmate Trust Fund Accounts and Commissary Record System, Justice/BOP–006''. This system continues to be exempted from the subsections of the Privacy Act as previously promulgated.

The additional exemptions are necessary to preclude the compromise of institution security; to ensure the safety of inmates, Bureau personnel and the public; to protect third party privacy; to protect law enforcement and investigatory information; and/or to otherwise ensure the effective performance of the Bureau's law enforcement functions.

**EFFECTIVE DATE:** This final rule is effective August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Mary Cahill, (202) 307–1823.

**SUPPLEMENTARY INFORMATION:** On March 15, 2002 (67 FR 11631) a proposed rule was published in the **Federal Register** with an invitation to comment. No comments were received.

This order relates to individuals rather than small business entities. Nevertheless, pursuant to the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601–612, this order will not have a significant impact on a substantial number of small entities.

**List of Subjects in 28 CFR Part 16**

Administrative practices and procedure, Freedom of Information, Sunshine Act, Privacy.

Pursuant to the authority vested in the Attorney General by 5 U.S.C. 552a and delegated to me by Attorney General Order No. 793–78, 28 CFR part 16 is amended as follows.

## PART 16—[AMENDED]

1. The authority citation for Part 16 continues to read as follows:

**Authority:** 5 U.S.C. 301, 552, 552a, 552b(g) and 553; 18 U.S.C. 4203 (a)(1); 28 U.S.C. 509, 510, 534; 31 U.S.C. 3717 and 9701.

2. Paragraphs (l) and (m) are added to § 16.97 to read as follows:

**§ 16.97 Exemption of Federal Bureau of Prisons Systems—limited access.**

* * * * *

(l) The following system of records is exempted pursuant to 5 U.S.C. 552a(j) from subsections (e)(1) and (e)(5): Bureau of Prisons Inmate Trust Fund Accounts and Commissary Record System, (Justice/BOP–006).

(m) These exemptions apply only to the extent that information in this system is subject to exemption pursuant to 5 U.S.C. 552a(j). Where compliance would not appear to interfere with or adversely affect the law enforcement process, and/or where it may be appropriate to permit individuals to contest the accuracy of the information collected, *e.g.* public source materials, or those supplied by third parties, the applicable exemption may be waived, either partially or totally, by the Bureau. Exemptions from the particular subsections are justified for the following reasons:

(1) From subsection (e)(1) to the extent that the Bureau may collect information that may be relevant to the law enforcement operations of other agencies. In the interests of overall, effective law enforcement, such information should be retained and made available to those agencies with relevant responsibilities.

(2) From subsection (e)(5) because in the collection and maintenance of information for law enforcement purposes, it is impossible to determine in advance what information is accurate, relevant, timely and complete. Data which may seem unrelated, irrelevant or incomplete when collected may take on added meaning or significance as an investigation progresses or with the passage of time, and could be relevant to future law enforcement decisions. In addition, amendment of the records may interfere with law enforcement operations and would impose an impossible administrative burden by requiring that law enforcement information be continuously reexamined, even where the information may have been collected from the record subject or other criminal justice agencies. The restrictions of subsection (e)(5) would restrict and delay trained correctional managers from timely exercising their judgment in managing the inmate population and providing for the safety and security of the prisons and the public.

* * * * *

Dated: July 31, 2002.

**Robert F. Diegelman,**

*Acting Assistant Attorney General for Administration.*

[FR Doc. 02–20207 Filed 8–8–02; 8:45 am]

**BILLING CODE 4410–05–P**

## DEPARTMENT OF JUSTICE

## 28 CFR Part 16

**[AAG/A Order No. 281–2002]**

## Privacy Act of 1974; Implementation

**AGENCY:** Department of Justice.

**ACTION:** Final rule.

**SUMMARY:** The Department of Justice, Bureau of Prisons (''Bureau''), is exempting a Privacy Act system of records from the following subsections of the Privacy Act: (e)(1) and (e)(5), pursuant to 5 U.S.C. 552a(j). The system of records to be exempted is the ''Inmate Physical and Mental Health Records System, Justice/BOP–007''. This system continues to be exempted from the subsections of the Privacy Act as previously promulgated.

The additional exemptions are necessary to preclude the compromise of institution security; to better ensure the safety of inmates, Bureau personnel and the public; to better protect third party privacy; to protect law enforcement and investigatory information; and/or to otherwise ensure the effective performance of the Bureau's law enforcement functions.

**EFFECTIVE DATE:** This final rule is effective August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Mary Cahill, (202) 307–1823.

**SUPPLEMENTARY INFORMATION:** On March 15, 2002 (67 FR 11631) a proposed rule was published in the **Federal Register** with an invitation to comment. No comments were received.

This order relates to individuals rather than small business entities. Nevertheless, pursuant to the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601–612, this order will not have a significant impact on a substantial number of small entities.

**List of Subjects in 28 CFR Part 16**

Administrative practices and procedure, Freedom of Information, Sunshine Act, Privacy.

Pursuant to the authority vested in the Attorney General by 5 U.S.C. 552a and delegated to me by Attorney General Order No. 793–78, 28 CFR part 16 is amended as follows.

## PART 16—[AMENDED]

1. The authority citation for Part 16 continues to read as follows:

**Authority:** 5 U.S.C. 301, 552, 552a, 552b(g) and 553; 18 U.S.C. 4203 (a)(1); 28 U.S.C. 509, 510, 534; 31 U.S.C. 3717 and 9701.

2. Paragraphs (n) and (o) are added to § 16.97 to read as follows:

**§ 16.97 Exemption of Federal Bureau of Prisons Systems—limited access.**

* * * * *

(n) The following system of records is exempted pursuant to 5 U.S.C. 552a(j) from subsections (e)(1) and (e)(5): Bureau of Prisons Inmate Physical and Mental Health Records System, (Justice/BOP–007).

(o) These exemptions apply only to the extent that information in this system is subject to exemption pursuant to 5 U.S.C. 552a(j). Where compliance would not appear to interfere with or adversely affect the law enforcement process, and/or where it may be appropriate to permit individuals to contest the accuracy of the information collected, *e.g.* public source materials, or those supplied by third parties, the applicable exemption may be waived, either partially or totally, by the Bureau. Exemptions from the particular subsections are justified for the following reasons:

(1) From subsection (e)(1) to the extent that the Bureau may collect information that may be relevant to the law enforcement operations of other agencies. In the interests of overall, effective law enforcement, such information should be retained and made available to those agencies with relevant responsibilities.

(2) From subsection (e)(5) because in the collection and maintenance of information for law enforcement purposes, it is impossible to determine in advance what information is accurate, relevant, timely and complete. Data which may seem unrelated, irrelevant or incomplete when collected may take on added meaning or significance during the course of an investigation or with the passage of time, and could be relevant to future law enforcement decisions. In addition, because many of these records come from sources outside the Bureau of Prisons, it is administratively impossible for them and the Bureau to ensure compliance with this provision. The restrictions of subsection (e)(5) would restrict and delay trained correctional managers from timely exercising their judgment in managing the inmate population and providing for the health care of the inmates and the safety and security of the prisons and the public.

* * * * *

Dated: July 31, 2002.

**Robert F. Diegelman,**

*Acting Assistant Attorney General for Administration.*

[FR Doc. 02–20209 Filed 8–8–02; 8:45 am]

BILLING CODE 4410–05–P

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## DEPARTMENT OF JUSTICE

## 28 CFR Part 16

**[AAG/A Order No. 278–2002]**

## Privacy Act of 1974; Implementation

**AGENCY:** Foreign Terrorist Tracking Task Force (FTTTF), Justice.

**ACTION:** Final rule.

**SUMMARY:** The Department of Justice is exempting a Privacy Act system of records from subsections (c)(3), (d)(1), (2), (3) and (4), and (e)(1) and (4)(I) of the Privacy Act, pursuant to 5 U.S.C. 552a(k)(1). The system of records to be exempted is the ''Flight Training Candidates File System, JUSTICE/FTTTF–001.''

The Flight Training Candidates File System is a system of records established pursuant to section 113 of the Aviation and Transportation Security Act (ATSA), Public Law 107–71, 49 U.S.C. 44939 to support the administration of the required risk assessment of candidates for flight instruction who are aliens or persons designated by the Under Secretary of Transportation for Security, U.S. Department of Transportation. Subsequent to the terrorist hijacking and crashing of aircraft on September 11, 2001, Congress determined that aliens seeking training in the operation of aircraft with a takeoff weight of 12,500 pounds or more should be subject to closer scrutiny. Pursuant to Section 113 of ATSA, persons who wish to provide such training to aliens or others designated by the Under Secretary of Transportation for Security must first notify the Attorney General, and provide identifying information with regard to the prospective trainee, so that the Attorney General may determine whether the prospective trainee poses a risk to aviation or national security.

The exemption is necessary as explained in the accompanying final rule.

**DATES:** This final rule is effective August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Mary Cahill, (202) 307–1823.

**SUPPLEMENTARY INFORMATION:** On June 10, 2002 (67 FR 39838), a proposed rule was published in the **Federal Register** with an invitation to comment. No comments were received.

This order relates to individuals as well as small business entities. In accordance with the Regulatory Flexibility Act, 5 U.S.C. 601–602, the Attorney General, by approving this regulation, certifies that this rule will not have ''a significant economic impact on a substantial number of small entities.''

**List of Subjects in 28 CFR Part 16**

Administrative practices and procedures, Courts, Freedom of Information, Sunshine Act, Privacy.

Pursuant to the authority vested in the Attorney General by 5 U.S.C. 552a and delegated to me by Attorney General Order No. 793–78, 28 CFR part 16 is amended as follows:

## PART 16—[AMENDED]

1. The authority citation for Part 16 continues to read as follows:

**Authority:** 5 U.S.C. 301, 552, 552a, 552b(g), 553; 18 U.S.C. 4203(a)(1); 28 U.S.C. 509, 510, 524; 31 U.S.C. 3717, 9701.

2. Section 16.105 is added to subpart E to read as follows:

## Subpart E—Exemption of Records Systems Under the Privacy Act

**§ 16.105 Exemption of Foreign Terrorist Tracking Task Force System.**

(a) The following system of records is exempt from 5 U.S.C. 552a, subsections (c)(3), (d)(1), (2), (3) and (4), and (e)(1) and (4)(I): Flight Training Candidates File System (JUSTICE/FTTTF–001). This exemption applies only to the extent that information is subject to exemption pursuant to 5 U.S.C. 552a(k)(1).

(b) Exemption from the particular subsections is justified for the following reasons:

(1) From subsection (c)(3) because making available to a record subject the accounting of disclosures could reveal information that is classified in the interest of national security.

(2) From subsection (d)(1), (2), (3) and (4) because access to and amendment of certain portions of records within the system would tend to reveal or compromise information classified in the interest of national security.

(3) From subsection (e)(1) because it is often impossible to determine in advance if information obtained will be relevant for the purposes of conducting the risk analysis for flight training candidates.

(4) From subsection (e)(4)(I) to the extent that this subsection is interpreted to require more detail regarding the record sources in this system than have been published in the **Federal Register**.

Should the subsection be so interpreted, exemption from this provision is necessary because greater specificity concerning the sources of these records could compromise national security.

Dated: July 31, 2002.

**Robert F. Diegelman,**

*Acting Assistant Attorney General for Administration.*

[FR Doc. 02–20206 Filed 8–8–02; 8:45 am]

BILLING CODE 4410–FB–P

## DEPARTMENT OF THE INTERIOR

## Minerals Management Service

## 30 CFR Part 250

**RIN 1010–AC93**

## Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Document Incorporated by Reference—API RP 14C

**AGENCY:** Minerals Management Service (MMS), Interior.

**ACTION:** Final rule.

**SUMMARY:** MMS is updating one document incorporated by reference in regulations governing oil, gas, and sulphur operations in the Outer Continental Shelf (OCS). This final rule revises the American Petroleum Institute (API) Recommended Practice (RP) 14C (API RP 14C), Sixth Edition, March 1998, currently incorporated by reference into our regulations. We are updating the API RP 14C document to the Seventh Edition, March 2001. The new edition will allow lessees to use updated industry standard technologies while operating in the OCS.

**EFFECTIVE DATE:** This rule is effective September 9, 2002. The incorporation by reference of publications listed in the regulations is approved by the Director of the Federal Register as of September 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Wilbon A. Rhome at (703) 787–1587.

**SUPPLEMENTARY INFORMATION:** We use standards, specifications, and recommended practices developed by standard-setting organizations and the oil and gas industry as a means of establishing requirements for activities on the OCS. This practice, known as incorporation by reference, allows us to incorporate the provisions of technical standards into the regulations. The legal effect of incorporation by reference is that the material is treated as if it were published in the **Federal Register**. This material, like any other properly issued regulation, then has the force and effect of law. We hold operators/lessees accountable for complying with the documents incorporated by reference in our regulations. We currently incorporate by reference 85 private sector consensus standards into the offshore operating regulations.

The regulations at 1 CFR part 51 govern how we and other Federal agencies incorporate various documents by reference. Agencies may only incorporate by reference through publication in the **Federal Register**. Agencies must also gain approval from the Director of the Federal Register for each publication incorporated by reference. Incorporation by reference of a document or publication is limited to the specific edition, supplement, or addendum cited in the regulations.

The regulations at 30 CFR 250.198(a)(2) allow MMS to update documents without opportunity to comment when we determine that the revisions to a document result in safety improvements or represent new industry standard technology and do not impose undue costs on the affected parties. MMS has made that determination in this instance. Consequently, under 5 U.S.C 553(b)(B), MMS finds that notice and comment procedures are unnecessary. Accordingly, this final rule revises the currently incorporated by reference API document RP 14C, for Analysis, Design, Installation and Testing of Basic Surface Safety Systems for Offshore Production Platforms, to incorporate the Seventh Edition, dated March 2001. The following is a summary of the background for this decision.

### Background

Current MMS testing requirements specify that the above-mentioned safety devices be tested ''at least once each calendar month, but at no time shall more than 6 weeks elapse between tests.'' In mid-1997, a number of lessees operating on the OCS requested a departure from MMS safety system testing requirements as outlined in 30 CFR 250.804 (formerly 250.124(a)(3)(i)) for producing operations. *See* former 30 CFR 250.3 (1997). (Current provisions for alternative procedures and departures are found at 30 CFR 250.141 and 250.142 (2001).) Specifically, companies requested approval to test electronic pressure transmitters and level sensors (e.g., Pressure Safety High (PSH), Pressure Safety Low (PSL), Level Safety High (LSH), and Level Safety Low (LSL)) at a frequency less than required in the regulations.

This raised two concerns for MMS with regard to its regulatory program. First, we did not have guidelines in place to support our decisionmaking process for approving or denying alternative compliance requests, waivers, or departures related to the testing of electronic safety systems. Second, MMS could not be sure that testing at a lesser frequency would not compromise the safety of OCS workers. MMS believes that the burden of proof lies with industry to demonstrate that the requested testing frequency for these devices affords a degree of protection, safety, or performance equal to or better than what can be achieved by following the current regulatory requirements.

Consequently, in May 1999, MMS contacted API to discuss our concerns with the testing and maintenance of electronic pressure transmitters and level sensors. We requested API not wait until the next regularly scheduled revision of API RP 14C, Sixth Edition, to review and update the document. Specifically, MMS asked API to define what guidelines industry should follow to request approval of a departure from the electronic pressure transmitter and level sensor testing requirements in 30 CFR 250.804(a)(3)(i)(ii).

In June 1999, a workgroup comprised of representatives from the oil and gas industry, API, and MMS was assembled to develop guidelines to address concerns with the testing and maintenance of electronic pressure transmitters and level sensors. The workgroup reviewed 20 years of past maintenance and testing data, but because of technological improvements, only focused on the latest 5 to 10 years of data. These data supported industry's assumption that testing at a lesser frequency would not compromise the safety of OCS workers and would still afford a degree of protection at least equal to what could be achieved by following current MMS requirements. Thus, the workgroup recommended revisions to API RP 14C, Sixth Edition, specifically, Appendix C—Support Systems, and Appendix D—Reporting Procedures. API incorporated the revisions and issued the Seventh Edition of API RP 14C in March 2001. API made no changes to RP 14C other than the reduced testing frequency for electronic pressure transmitters and level sensors.

### Conclusions

MMS reviewed the new Seventh Edition of API RP 14C and determined that:

- Incorporating into regulations the Seventh Edition that specifies a reduced testing frequency will not jeopardize the use of the best and safest technologies.
- The changes between the old and new editions represent new industry standard technology and will not

impose undue cost on the offshore oil and gas industry.

• The changes to our regulations will eliminate the need for industry to request certain departures from the regulations.

Based on our determinations, we are incorporating the new Seventh Edition of API RP 14C and making the corresponding revisions to 30 CFR 250.804(a)(3)(i)(ii) and 250.1630(a)(2)(i)(ii).

**Procedural Matters**

The purpose of this rule is to update one document that is currently incorporated by reference in the regulations. The differences between the newer document and the older document are very minor. The minor differences between the newer and older documents will not cause a significant economic effect on any entity (small or large). Therefore, this regulation's impact on the entire industry is minor.

**Regulatory Planning and Review (Executive Order 12866)**

This document is not a significant rule and is not subject to review by the Office of Management and Budget (OMB) under Executive Order 12866.

(1) This rule will not have an effect of $100 million or more on the economy. It will not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. This rule does not have new requirements and does not prevent any lessee or operator from performing operations on the OCS. The updated standard (Seventh Edition of API RP 14C) allows companies operating on the OCS to test electronic pressure transmitters and level sensors at a frequency less than required in the regulations. It does not impose additional costs. A positive benefit to less testing is that costs should decrease for the oil and gas industry.

(2) This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency. This rule does not affect how lessees or operators interact with other agencies, nor does it affect how MMS will interact with other agencies.

(3) This rule does not alter the budgetary effects or entitlements, grants, user fees, or loan programs or the rights or obligations of their recipients. The rule only affects businesses operating on the OCS with respect to a standard that provides new (reduced) testing criteria for electronic pressure transmitters and level sensors.

(4) This rule does not raise novel legal or policy issues. The requirements are based on the legal authority of the OCS Lands Act (43 U.S.C. 1331 *et seq.*).

**Regulatory Flexibility (RF) Act**

The Department certifies that this rule will not have a significant economic effect on a substantial number of small entities as defined under the RF Act (5 U.S.C. 601 *et seq.*). An RF Analysis is not required. Accordingly, a Small Entity Compliance Guide is not required.

The provisions of this rule will not have a significant economic effect on lessees and operators, including those that are classified as small businesses. The Small Business Administration (SBA) defines a small business as having:

• Annual revenues of $5 million or less for exploration service and field service companies.

• Fewer than 500 employees for drilling companies and for companies that extract oil, gas, or natural gas liquids.

Offshore lessees/operators are classified under SBA's North American Industry Classification System (NAICS) code 211111 (Crude Petroleum and Natural Gas Extraction) and NAICS 213111 code (Drilling Oil and Gas Wells). We estimate approximately 130 companies will be affected by this rulemaking. According to SBA criteria, 39 companies are large firms, leaving up to 91 companies (70 percent) that may qualify as small firms with fewer than 500 employees.

This rule imposes no new operational requirements, reporting burdens, or other measures that would increase costs to lessees/operators, large or small. Therefore, this rule has no significant economic impact on small entities.

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small businesses. If you wish to comment on the enforcement actions of MMS, call toll-free 1–888–734–3247. You may comment to the Small Business Administration without fear of retaliation. Disciplinary action for retaliation by an MMS employee may include suspension or termination from employment with the Department of the Interior.

**Small Business Regulatory Enforcement Fairness ACT (SBREFA)**

This rule is not a major rule under (5 U.S.C. 804(2)) the SBREFA. This rule:

(a) Does not have an annual effect on the economy of $100 million or more. The main purpose of this rule is to update an industry standard that will allow lessees to test electronic pressure transmitters and level sensors at a reduced frequency, thereby eliminating the need to request departures. The rule does not have new requirements.

(b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. The cost to comply with the rule by the affected parties should be less than current requirements.

(c) Does not have a significant adverse effect on competition, employment, investment, productivity, innovation, or ability of United States-based enterprises to compete with foreign-based enterprises. The rule does not contain new requirements.

**Paperwork Reduction Act (PRA) of 1995**

The Department of the Interior (DOI) has determined that this regulation does not contain information collection requirements pursuant to PRA (44 U.S.C. 3501 *et seq.*). A form OMB 83–I information collection request to OMB is not required.

**Federalism (Executive Order 13132)**

According to Executive Order 13132, the rule does not have Federalism implications because it does not affect the relationship between the Federal and State governments, and will not impose costs on States or localities. The rule simply updates a standard incorporated by reference in MMS regulations to allow companies to test electronic pressure transmitters and level sensors at a reduced frequency.

**Takings Implications Assessment (Executive Order 12630)**

According to Executive Order 12630, the final rule does not represent a governmental action capable of interference with constitutionally protected property rights. The updated standard addresses reduced testing frequency for electronic pressure transmitters and level sensors. Thus, MMS did not prepare a Takings Implication Assessment according to Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

**Energy Supply, Distribution, or Use (Executive Order 13211)**

This rule is not a significant rule and is not subject to review by OMB under Executive Order 12866. The rule does not have a significant effect on energy supply, distribution, or use. The primary purpose of this rule is to update an incorporated standard to allow for reduced testing frequency of electronic pressure transmitters and level sensors.

**Civil Justice Reform (Executive Order 12988)**

In accordance with Executive Order 12988, the Office of the Solicitor has determined that this rule does not unduly burden the judicial system and meets the requirements of sections 3(a) and 3(b)(2) of the Order.

**Unfunded Mandate Reform Act (UMRA) of 1995 (Executive Order 12866)**

This rule does not impose an unfunded mandate on State, local, or tribal governments or the private sector of more than $100 million per year. It does not contain new requirements, and it will not have a significant or unique effect on State, local, or tribal governments or the private sector. Therefore, a statement containing the information required by the UMRA (2 U.S.C. 1531 *et seq.*) is not required.

**National Environmental Policy Act (NEPA) of 1969**

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the NEPA of 1969 is not required.

**List of Subjects in 30 CFR Part 250**

Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Incorporation by reference, Investigations, Mineral royalties, Oil and gas development and production, Oil and gas exploration, Oil and gas reserves, Penalties, Pipelines, Public lands-mineral resources, Public lands-rights-of-way, Reporting and recordkeeping requirements, Sulphur development and production, Sulphur exploration, Surety bonds.

Dated: August 2, 2002.

**Rebecca W. Watson,**

*Assistant Secretary, Land and Minerals Management.*

For the reasons stated in the preamble, MMS amends 30 CFR part 250 as follows:

## PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

1. The authority citation for part 250 continues to read as follows:

**Authority:** 43 U.S.C. 1331 *et seq.*

**§ 250.198 [Amended]**

2. In § 250.198, in the table in paragraph (d), the addresses for the entry for ''ANSI/ASME Codes'' are revised; and in the table in paragraph (e), the entry for ''API RP 14C'' is revised to read as follows:

**§ 250.198 Documents incorporated by reference.**

* * * * *

(d) * * *

| For | Write to |
|---|---|
| * | * * * * * * |
| ANSI/ASME Codes | American National Standards Institute, Attention Sales Department, 25 West 43rd Street, 4th Floor, New York, NY 10036; and/or American Society of Mechanical Engineers, 22 Law Drive, P.O. Box 2900, Fairfield, NJ 07007. |
| * | * * * * * * * |

(e) * * *

| Title of documents | Incorporated by reference at |
|---|---|
| * | * * * * * * * |
| API RP 14C, Recommended Practice for Analysis, Design, Installation, and Testing of Basic Surface Safety Systems for Offshore Production Platforms, Seventh Edition, March 2001, API Stock No. C14C07. | § 250.802(b), (e)(2); § 250.803(a), (b)(2)(i), (b)(4), (b)(5)(i), (b)(7), (b)(9)(v), (c)(2); § 250.804(a), (a)(5); § 250.1002(d); § 250.1004(b)(9); § 250.1628(c), (d)(2); § 250.1629(b)(2), (b)(4)(v); and § 250.1630(a). |
| * | * * * * * * * |

3. In § 250.802, paragraphs (b) and (e)(2) are revised to read as follows.

**§ 250.802 Design, installation, and operation of surface production-safety systems.**

* * * * *

(b) *Platforms.* You must protect all platform production facilities with a basic and ancillary surface safety system designed, analyzed, installed, tested, and maintained in operating condition in accordance with API RP 14C (incorporated by reference as specified in § 250.198). If you use processing components other than those for which Safety Analysis Checklists are included in API RP 14C you must utilize the analysis technique and documentation specified therein to determine the effects and requirements of these components on the safety system. Safety device requirements for pipelines are under § 250.1004.

* * * * *

(e) * * *

(2) A schematic piping flow diagram (API RP 14C, Figure E, incorporated by reference as specified in § 250.198) and the related Safety analysis Function Evaluation chart (API RP 14C, subsection 4.3c, incorporated by reference as specified in § 250.198).

* * * * *

4. In § 250.803, the following changes are made:

A. Revise paragraph (a), the first sentence in paragraph (b)(2)(i), and paragraphs (b)(4) introductory text, (b)(5)(i), (b)(7), and (b)(9)(v) to read as set forth below.

B. In paragraph (b)(10), the citation ''§ 250.403'' is revised to read ''§ 250.114''.

C. Revise Paragraph (c)(2) introductory text to read as set forth below.

D. In paragraph (d), the citation ''§ 250.402'' is revised to read ''§§ 250.109 through 250.113''.

**§ 250.803 Additional production system requirements.**

(a) *General.* Lessees must comply with the following production safety system requirements (some of which are in addition to those contained in API RP 14C, incorporated by reference as specified in § 250.198).

(b) * * *

(2) *Flowlines.* (i) You must equip flowlines from wells with high- and low-pressure shut-in sensors located in accordance with section A.1 and Figure A1 of API RP 14C (incorporated by reference as specified in § 250.198).

* * *

* * * * *

(4) *ESD.* The ESD must conform to the requirements of Appendix C, section C1, of API RP 14C (incorporated by reference as specified in § 250.198), and the following:

* * * * *

(5) *Engines.* (i) *Engine exhaust.* You must equip engine exhausts to comply with the insulation and personnel protection requirements of API RP 14C, section 4.2c(4) (incorporated by reference as specified in § 250.198). Exhaust piping from diesel engines must be equipped with spark arresters.

* * * * *

(7) *Gas compressors.* You must equip compressor installations with the following protective equipment as required in API RP 14C, sections A4 and A8 (incorporated by reference as specified in § 250.198).

* * * * *

(9) * * *

(v) Fire- and gas-detection systems must be an approved type, designed and installed in accordance with API RP 14C (incorporated by reference as specified in § 250.198), API RP 14G (incorporated by reference as specified in § 250.198), and API RP 14F, Design and Installation of Electrical System for Offshore Production Platforms (incorporated by reference as specified in § 250.198).

* * * * *

(c) * * *

(2) When wells are disconnected from producing facilities and blind flanged, equipped with a tubing plug, or the master valves have been locked closed, you are not required to comply with the provisions of API RP 14C (incorporated by reference as specified in § 250.198) or this regulation concerning the following:

* * * * *

5. In § 250.804, the following changes are made:

A. In paragraph (a) introductory text, revise the last sentence to read as set forth below.

B. In paragraph (a)(3), the introductory text is revised to read as set forth below.

C. Paragraphs (a)(4) through (a)(11) are redesignated (a)(5) through (a)(12).

D. A new paragraph (a)(4) is added to read as set forth below.

E. In newly redesignated paragraph (a)(5), the second sentence is revised to read as set forth below.

F. In newly redesignated paragraph (a)(10), the citation ''(a)(6)'' is revised to read ''(a)(7)''.

**§ 250.804 Production safety-system testing and records.**

(a) * * * Testing must be in accordance with API RP 14C, Appendix D (incorporated by reference as specified in § 250.198), and the following:

* * * * *

(3) The following safety devices (excluding electronic pressure transmitters and level sensors) must be tested at least once each calendar month, but at no time will more than 6 weeks elapse between tests:

* * * * *

(4) The following electronic pressure transmitters and level sensors must be tested at least once every 3 months, but at no time may more than 120 days elapse between tests:

(i) All PSH and PSL, and

(ii) All LSH and LSL controls.

(5) * * * The FSV's must be tested for leakage in accordance with the test procedure specified in API RP 14C, Appendix D, section D4, table D2, subsection D (incorporated by reference as specified in § 250.198). * * *

* * * * *

6. In § 250.1002, the first sentence in paragraph (d) is revised to read as follows:

**§ 250.1002 Design requirements for DOI pipelines.**

* * * * *

(d) If the maximum source pressure (MSP) exceeds the pipeline's MAOP, you must install and maintain redundant safety devices meeting the requirements of section A9 of API RP 14C (incorporated by reference as specified in § 250.198). * * *

* * * * *

7. In § 250.1004, the first sentence in paragraph (b)(9) is revised to read as follows:

**§ 250.1004 Safety equipment requirements for DOI pipelines.**

* * * * *

(b) * * *

(9) Pipeline pumps must comply with section A7 of API RP 14C (incorporated by reference as specified in § 250.198). * * *

* * * * *

8. In § 250.1604 the following changes are made:

A. In paragraph (c), the citation ''§ 250.402'' is revised to read ''§ 250.109 through § 250.113''.

B. In paragraph (d), the citation '' § 250.403'' is revised to read ''§ 250.114''.

9. In § 250.1628, paragraphs (c) and (d)(2) are revised to read as follows:

**§ 250.1628 Design, installation and operation of production system.**

* * * * *

(c) *Hydrocarbon handling vessels associated with fuel gas system.* You must protect hydrocarbon handling vessels associated with the fuel gas system with a basic and ancillary surface safety system. This system must be designed, analyzed, installed, tested, and maintained in operating condition in accordance with API RP 14C, Analysis, Design, Installation, and Testing of Basic Surface Safety Systems for Offshore Production Platforms (incorporated by reference as specified in § 250.198). If processing components are to be utilized, other than those for which Safety Analysis Checklists are included in API RP 14C, you must use the analysis technique and documentation specified therein to determine the effect and requirements of these components upon the safety system.

(d) * * *

(2) A schematic flow diagram (API RP 14C, Figure E1, incorporated by reference as specified in § 250.198) and the related Safety Analysis Function Evaluation chart (API RP 14C, subsection 4.3c, incorporated by reference as specified in § 250.198).

* * * * *

10. In § 250.1629, revise paragraphs (b)(2) and (b)(4)(v) to read as follows:

**§ 250.1629 Additional production and fuel gas system requirements.**

* * * * *

(b) * * *

(2) *Engine exhaust.* You must equip engine exhausts to comply with the insulation and personnel protection requirements of API RP 14C, section 4.2c(4) (incorporated by reference as specified in § 250.198). Exhaust piping from diesel engines must be equipped with spark arresters.

* * * * *

(4) * * *

(v) Fire- and gas-detection systems must be an approved type, designed and installed in accordance with API RP 14C

(incorporated by reference as specified in § 250.198), API RP 14G (incorporated by reference as specified in § 250.198), and API RP 14F, Design and Installation of Electrical System for Offshore Production Platforms (incorporated by reference as specified in § 250.198).

* * * * *

11. In § 250.1630 the following changes are made:

A. Paragraphs (a) introductory text and (a)(2) introductory text are revised to read as set forth below.

B. Paragraphs (a)(3) through (a)(5) are redesignated (a)(4) through (a)(6).

C. New paragraph (a)(3) is added to read as set forth below.

**§ 250.1630 Safety-system testing and records.**

(a) *Inspection and testing.* You must inspect and successfully test safety system devices at the interval specified below or more frequently if operating conditions warant. Testing must be in accordance with API RP 14C, Appendix D (incorporated by reference as specified in § 250.198). For safety system devices other than those listed in API RP 14C, Appendix D, you must utilize the analysis technique and documentation specified therein for inspection and testing of these components, and the following:

* * * * *

(2) The following safety devices (excluding electronic pressure transmitters and level sensors) must be inspected and tested at least once each calendar month, but at no time may more than 6 weeks elapse between tests:

* * * * *

(3) The following electronic pressure transmitters and level sensors must be inspected and tested at least once every 3 months, but at no time may more than 120 days elapse between tests:

(i) All PSH or PSL, and

(ii) All LSH and LSL controls.

* * * * *

[FR Doc. 02–18143 Filed 8–8–02; 8:45 am]

BILLING CODE 4310–MR–P

## DEPARTMENT OF TRANSPORTATION

## Coast Guard

## 33 CFR Part 117

**[CGD07–02–098]**

## Drawbridge Operation Regulations; Atlantic Intracoastal Waterway, mile 1055.0 at Pompano Beach, Broward County, FL

**AGENCY:** Coast Guard, DOT.

**ACTION:** Notice of temporary deviation from regulations.

**SUMMARY:** The Commander, Seventh Coast Guard District, has approved a temporary deviation from the regulations governing the operation of the NE. 14th Street (SR 844) bridge, mile 1055.0 at Pompano Beach, Florida, from August 2 to August 14, 2002. This deviation allows this bridge to only open a single-leaf of the bridge. Double-leaf openings will be available with a one-hour advance notice to the bridge tender. This temporary deviation is required to allow the bridge owner to safely complete repairs to the bridge.

**DATES:** This deviation is effective from 12:01 a.m. on August 2, 2002 to 8 p.m. on August 14, 2002.

**ADDRESSES:** Material received from the public, as well as documents indicated in this preamble as being available in the docket, will become part of this docket and will be available for inspection or copying at Commander (obr), Seventh Coast Guard District, 909 SE. 1st Avenue, Room 432, Miami, FL 33131 between 7:30 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Mr. Michael Lieberum, Project Officer, Seventh Coast Guard District, Bridge Section at (305) 415–6744.

**SUPPLEMENTARY INFORMATION:** The SR 844 (NE. 14th Street) bridge, mile 1055.0 at Pompano Beach, Broward County, Florida, has a vertical clearance of 15 feet at mean high water and a horizontal clearance of 45 feet between the down span and the fender system. The existing operating regulations in 33 CFR 117.261(cc) require the bridge to open on signal, except that, from 7 a.m. to 6 p.m., the draw need open only on the quarter-hour and three-quarter-hour.

The Florida Department of Transportation notified the Coast Guard on July 24, 2002, that due to an equipment malfunction, they temporarily can only operate a single-leaf of the drawbridge. A double-leaf opening will be available if a one-hour's notice is provided to the bridge tender, allowing enough time to bring in a work crew to open the other leaf.

The District Commander has granted a temporary deviation from the operating requirements listed in 33 CFR 117.261(cc) to complete repairs to the drawbridge. Under this deviation, the SR 844 (NE. 14th Street) bridge, mile 1055.0 at Pompano Beach, need only open a single-leaf on signal; except that, from 7 a.m. to 6 p.m., the draw need open a single-leaf on the quarter-hour and three-quarter-hour from 12:01 a.m. on August 2, 2002, to 8 p.m. on August 14, 2002. A double-leaf opening will be available if one-hour's advance notice is provided to the bridge tender from 12:01 a.m. on August 2, 2002, to 8 p.m. on August 14, 2002.

Dated: August 1, 2002.

**Greg Shapley,**

*Chief, Bridge Administration Branch, Seventh Coast Guard District.*

[FR Doc. 02–20247 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–15–P

## DEPARTMENT OF TRANSPORTATION

## Coast Guard

## 33 CFR Part 165

**[CGD01–02–063]**

**RIN 2115–AA97**

## Safety and Security Zones; USCGC EAGLE Port Visit—Salem Harbor, MA

**AGENCY:** Coast Guard, DOT.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard is establishing temporary safety and security zones for the United States Coast Guard Cutter (CGC) EAGLE's port visit to the PG&E Power Plant in Salem, MA, from August 9, 2002, to August 12, 2002. The safety and security zones close all waters within a 100-yard radius of the USCGC EAGLE while underway off the coast of Massachusetts in United States territorial seas, and while moored at the PG&E Pier in Salem Harbor, Salem, MA. The safety and security zones prohibit entry into or movement within this portion of Salem Harbor during the effective periods.

**DATES:** This rule is effective from 6 a.m. August 9 until 11:59 p.m., August, 12, 2002.

**ADDRESSES:** Documents indicated in this preamble are available for inspection or copying at Marine Safety Office Boston, 455 Commercial Street, Boston, MA between the hours of 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** LT David M. Sherry, Marine Safety Office Boston, Waterways Safety and Response Division, at (617) 223–3000.

**SUPPLEMENTARY INFORMATION:**

### Regulatory Information

On July 11, 2002, we published a notice of proposed rulemaking (NPRM) entitled ''Safety and Security Zones: USCGC EAGLE Port Visit—Salem Harbor, Massachusetts'' in the **Federal Register** (67 FR 45945). We received no

comments on the proposed rule. No public hearing was requested, and none was held. Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. Any delay encountered in this rule's effective date would be contrary to public interest since immediate action is needed to safeguard the CGC EAGLE (a training vessel for the U.S. Coast Guard Academy), persons on the vessel, the public, and surrounding communities from sabotage or other subversive acts, accidents, or other events of a similar nature. The CGC EAGLE presents a possible target of terrorist attack, because it is a prominent and highly visible public vessel. These temporary safety and security zones are being established to safeguard the CGC EAGLE (a training vessel for the U.S. Coast Guard Academy), persons on the vessel, the public, and surrounding communities from sabotage or other subversive acts, accidents, or other events of a similar nature. These safety and security zones, having identical boundaries, prohibit entry into or movement within the specified areas. Public notifications will be made prior to the effective period via safety marine information broadcasts.

**Background and Purpose**

This rule establishes safety and security zones within a 100-yard radius of the USCGC EAGLE while it is moored at the PG&E Pier in Salem Harbor, Salem, MA and while the vessel is transiting within navigable waters of the United States in the Captain of the Port (COTP) Boston zone, as defined in 33 CFR 3.05–10. Under the Ports and Waterways Safety Act, (33 U.S.C.S. 1221 *et seq.*) navigable waters of the United States include all waters of the territorial sea of the United States as described in Presidential Proclamation No. 5928 of December 27, 1988 (103 Stat. 2981; 54 FR 777, January 9, 1989). This Presidential Proclamation declared that the territorial sea of the United States extends to 12 nautical miles from the baseline of the United States determined in accordance with international law. The safety and security zones are in effect from August 9, 2002, to August 12, 2002. Public notifications will be made prior to the effective period via local notice to mariners and marine information broadcasts.

**Regulatory Evaluation**

This rule is not a ''significant regulatory action'' under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order. It is not significant under the regulatory policies and procedures of the Department of Transportation (DOT)(44 FR 11040, February 26, l979).

The Coast Guard expects the economic impact of this rule to be minimal enough that a full Regulatory Evaluation under paragraph 10e of the regulatory policies and procedures of DOT is unnecessary.

The Captain of The Port anticipates minimal impact to vessel traffic due to the safety and security zones. Some impact on recreational vessel and small passenger vessel traffic is expected in the vicinity of Salem Harbor, however it is expected to be minimal due to the ability of these vessels to transit safely outside of the safety and security zones. Thus, although this rule would prevent traffic from transiting a portion of Salem Harbor during the effective periods, the effects will not be significant for the reasons outlined above. Advance notifications will be made to the local maritime community by safety marine information broadcasts and local notice to mariners.

**Small Entities**

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), the Coast Guard considered whether this rule would have a significant economic impact on a substantial number of small entities. The term ''small entities'' comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule would not have significant economic impact on a substantial number of small entities. This rule would have a minimal impact on small entities because vessel traffic can safely pass outside of the safety and security zones during the effective period, the safety and security zones are limited in duration, and advance notifications will be made to the local maritime community by safety marine information broadcasts.

**Collection of Information**

This rule would call for no new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

**Federalism**

The Coast Guard analyzed this rule under Executive Order 13132, Federalism, and has determined that this rule does not have implications for federalism under that Order.

**Unfunded Mandates Reform Act**

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) governs the issuance of Federal regulations that require unfunded mandates. An unfunded mandate is a regulation that requires a State, local, or tribal government or the private sector to incur direct costs without the Federal Government's having first provided the funds to pay those costs. This rule would not impose an unfunded mandate.

**Taking of Private Property**

This rule would not effect a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

**Civil Justice Reform**

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

**Protection of Children**

The Coast Guard analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not pose an environmental risk to health or risk to safety that may disproportionately affect children.

**Indian Tribal Governments**

This rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

**Environment**

The Coast Guard considered the environmental impact of this rule and concluded that, under figure 2–1, (34)(g), of Commandant Instruction M16475.lD, this rule is categorically excluded from further environmental documentation. A ''Categorical Exclusion Determination'' is available in the docket where indicated under **ADDRESSES.**

**Energy Effects**

We have analyzed this rule under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a ''significant energy action'' under that Order because it is not a ''significant regulatory action'' under Executive Order 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy. It has not been designated by the Administrator of the Office of Information and Regulatory Affairs as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

**List of Subjects in 33 CFR Part 165**

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

## PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

1. The authority citation for part 165 continues to read as follows:

**Authority:** 33 U.S.C. 1231; 50 U.S.C. 191, 33 CFR 1.05–1(g), 6.04–1, 6.04–6, and 160.5; 49 CFR 1.46.

2. Add temporary § 165.T01–063 to read as follows:

**§ 165.T01–063 Safety and Security Zones: USCGC EAGLE Port visit-Salem Harbor, Massachusetts.**

(a) *Location.* The following areas are safety and security zones: (1) All waters of Salem Harbor within a 100 yard radius of the United States Coast Guard Cutter (USCGC) EAGLE while moored at the PG & E Pier;

(2) All navigable waters of the United States within the Captain of the Port (COTP) Boston zone, as defined in 33 CFR 3.05–10, within a 100-yard radius of the USCG EAGLE while underway.

(b) *Effective date.* This rule is effective from 6 a.m. August 9, 2002 through 11:59 p.m. August 12, 2002.

(c) *Definitions.* For purposes of this section, *navigable waters of the United States* includes all waters of the territorial sea as described in Presidential Proclamation No. 5928 of December 27, 1988. Presidential Proclamation No. 5928 of December 27, 1988 declared that the territorial sea of the United States extends to 12 nautical miles from the baseline of the United States.

(d) *Regulations.*

(1) In accordance with the general regulations in § 165.23 and § 165.33 of this part, entry into or movement within these zones will be prohibited unless authorized by the Captain of the Port Boston.

(2) All vessel operators shall comply with the instructions of the COTP or the designated on-scene U.S. Coast Guard patrol personnel. On-scene Coast Guard patrol personnel include commissioned, warrant, and petty officers of the Coast Guard on board Coast Guard, Coast Guard Auxiliary, local, state, and federal law enforcement vessels.

Dated: July 31, 2002.

**B.M. Salerno,**

*Captain, U.S. Coast Guard, Captain of the Port, Boston, Massachusetts.*

[FR Doc. 02–20245 Filed 8–6–02; 4:08 pm]

BILLING CODE 4910–15–P

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## ENVIRONMENTAL PROTECTION AGENCY

## 40 CFR Part 52

**[NC 93–200122b; FRL–7206–9]**

## Approval and Promulgation of Implementation Plans North Carolina: Approval of Revisions to Open Burning Regulations Within the Forsyth County Local Implementation Plan

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Direct final rule.

**SUMMARY:** On December 30, 1999, the Forsyth County Environmental Affairs Department through, the North Carolina Department of Environment and Natural Resources, submitted revisions to the Forsyth County Local Implementation Plan (LIP). These revisions include the amending of open burning, transportation conformity, and general provision regulations. The purpose of these revisions is to make the revised regulations consistent with the requirements of the Clean Air Act as amended in 1990. The EPA is approving these revisions.

**DATES:** This direct final rule is effective October 8, 2002 without further notice, unless EPA receives adverse comment by September 9, 2002. If adverse comment is received, EPA will publish a timely withdrawal of the direct final rule in the **Federal Register** and inform the public that the rule will not take effect.

**ADDRESSES:** All comments should be addressed to: Randy Terry at the EPA, Region 4 Air Planning Branch, 61 Forsyth Street, SW, Atlanta, Georgia 30303–8960.

Copies of the State submittal(s) are available at the following addresses for inspection during normal business hours:

Environmental Protection Agency, Region 4, Air Planning Branch, 61 Forsyth Street, SW, Atlanta, Georgia 30303–8960. Randy Terry, 404/562–9032.

North Carolina Department of Environment and Natural Resources, 512 North Salisbury Street, Raleigh, North Carolina 27604.

Forsyth County Environmental Affairs Department, 537 North Spruce Street, Winston-Salem, North Carolina 27101.

**FOR FURTHER INFORMATION CONTACT:** Randy B. Terry at 404/562–9032, or by electronic mail at *terry.randy@epa.gov.*

**SUPPLEMENTARY INFORMATION:**

### I. Background

On December 30, 1999, the Forsyth County Environmental Affairs Department, through the North Carolina Department of Environment and Natural Resources, submitted revisions to the Forsyth county LIP. These revisions include the revision of open burning, transportation conformity, and general provisions regulations. A detailed analysis of each of the major revisions submitted is listed below.

### II. Analysis of Forsyth County's Submittal

*Subchapter 3D*

3D .1903 Permissible Open Burning and 2D .1904 Air Curtain Burners

These rules were revised to include language that states that any material to be burned must originate from the land being cleared or the area being maintained.

.2003 Transportation Conformity Determination

This rule was amended to change an incorrect reference to 40 CFR 93.106 to the correct cite of 40 CFR 93.108.

*Subchapter 3Q*

3Q .0102 Activities Exempted From Permit Requirements

This rule has been amended to clarify that it only applies to those facilities with permits issued under Section .300 of this Subchapter.

3Q .0103 Definitions

This rule has been amended to modify the definitions for both ''insignificant activities'' and ''potential emissions.'' Insignificant activities is now defined as

''activities defined as insignificant activities because of category or as insignificant activities because of size or production rate under rule .0503 of this Subchapter.'' ''Potential emissions'' has been revised to allow that potential emissions do not include emissions from insignificant activities because of category as defined under rule .0503.

## III. Final Action

EPA is approving the aforementioned changes to the SIP because the revisions are consistent with Clean Air Act and EPA regulatory requirements. The EPA is publishing this rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. However, in the proposed rules section of this **Federal Register** publication, EPA is publishing a separate document that will serve as the proposal to approve the SIP revision should adverse comments be filed. This rule will be effective October 8, 2002 without further notice unless the Agency receives adverse comments by September 9, 2002.

If the EPA receives such comments, then EPA will publish a document withdrawing the final rule and informing the public that the rule will not take effect. All public comments received will then be addressed in a subsequent final rule based on the proposed rule. The EPA will not institute a second comment period. Parties interested in commenting should do so at this time. If no such comments are received, the public is advised that this rule will be effective on October 8, 2002 and no further action will be taken on the proposed rule. Please note that if we receive adverse comment on an amendment, paragraph, or section of this rule and if that provision may be severed from the remainder of the rule, we may adopt as final those provisions of the rule that are not the subject of an adverse comment.

## IV. Administrative Requirements

Under Executive Order 12866 (58 FR 51735, October 4, 1993), this action is not a ''significant regulatory action'' and therefore is not subject to review by the Office of Management and Budget. For this reason, this action is also not subject to Executive Order 13211, ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355, May 22, 2001). This action merely approves state law as meeting Federal requirements and imposes no additional requirements beyond those imposed by state law. Accordingly, the Administrator certifies that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). Because this rule approves pre-existing requirements under state law and does not impose any additional enforceable duty beyond that required by state law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4).

This rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes, as specified by Executive Order 13175 (65 FR 67249, November 9, 2000). This action also does not have Federalism implications because it does not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132 (64 FR 43255, August 10, 1999). This action merely approves a state rule implementing a Federal standard, and does not alter the relationship or the distribution of power and responsibilities established in the Clean Air Act. This rule also is not subject to Executive Order 13045 ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because it is not economically significant.

In reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the Clean Air Act. In this context, in the absence of a prior existing requirement for the State to use voluntary consensus standards (VCS), EPA has no authority to disapprove a SIP submission for failure to use VCS. It would thus be inconsistent with applicable law for EPA, when it reviews a SIP submission, to use VCS in place of a SIP submission that otherwise satisfies the provisions of the Clean Air Act. Thus, the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) do not apply. This rule does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 8, 2002. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (*See* section 307(b)(2).)

## List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements.

Dated: April 1, 2002.

**A. Stanley Meiburg,**

*Acting Regional Administrator, Region 4.*

Part 52 of chapter I, title 40 of the Code of Federal Regulations is amended as follows:

## PART 52—[AMENDED]

1. The authority for citation for part 52 continues to read as follows:

**Authority:** 42 U.S.C. 7401 *et seq.*

## Subpart II—North Carolina

2. Section 52.1770(c) is amended by adding a new table 2 to read as follows:

### § 52.1770 Identification of Plan.

* * * * *

(c). * * *

TABLE 2.—EPA APPROVED FORSYTH COUNTY REGULATIONS

| State citation | Title/subject | State effective date | EPA approval date | Explanation |
|---|---|---|---|---|
| **Subchapter 3D Air Pollution Control Requirements Section .1900 Open Burning** | | | | |
| Sect .1903 | Permissible Open Burning | 10/25/99 | 8/8/02 | |
| Sect. .1904 | Air Curtain Burners | 10/25/99 | 8/8/02 | |
| **Section .2000 Transportation Conformity** | | | | |
| Sect. .2003 | Transportation Conformity Determination | 10/25/99 | 8/8/02 | |
| **Subchapter 3Q—Air Quality Permits Section .0100 General Provisions** | | | | |
| Sect. .0102 | Activities Exempt From Permit Requirements | 10/25/99 | 8/8/02 | |
| Sect. .0103 | Definitions | 10/25/99 | 8/8/02 | |

[FR Doc. 02–20225 Filed 8–8–02; 8:45 am]
BILLING CODE 6560–50–P

## ENVIRONMENTAL PROTECTION AGENCY

## 40 CFR Part 271

**[FRL–7256–7]**

## Rhode Island: Authorization of State Hazardous West Management Program Revision

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Immediate final rule.

**SUMMARY:** The State of Rhode Island has applied to EPA for Final authorization of the changes to its hazardous waste program under the Resource Conservation and Recovery Act (RCRA). EPA has determined that these changes satisfy all requirements needed to qualify for Final authorization, and is authorizing the State's changes through this immediate final action. EPA is publishing this rule to authorize the changes without a prior proposal because we believe this action is not controversial and do not expect comments that oppose it. Unless we get written comments which oppose this authorization during the comment period, the decision to authorize Rhode Island's changes to their hazardous waste program will take effect. if we get comments that oppose this action, we will publish a document in the **Federal Register** withdrawing this rule before it takes effect and a separate document in the proposed rules section of this **Federal Register** will serve as a proposal to authorize the changes.

**DATES:** This final authorization will become effective on October 8, 2002 unless EPA receives adverse written comment by September 9, 2002. If EPA receives such comment, it will publish a timely withdrawal of this immediate final rule in the **Federal Register** and inform the public that this authorization will not take immediate effect.

**ADDRESSES:** Send any written comments to Robin Biscaia, EPA New England, One Congress Street, Suite 1100 (CHW), Boston, MA 02114–2023; telephone: (617) 918–1642. Copies of the State of Rhode Island's revision application and the materials which EPA used in evaluating the revision (the ''Administrative Record'') are available for inspection and copying during normal business hours at the following locations: Rhode Island Department of Environmental Management, Office of Technical and Customer Assistance, 235 Promenade Street, Providence, RI 02908–5767, business hours: 8:30 a.m. to 4 p.m., telephone: (401) 222–6822; or EPA New England Library, One Congress Street—11th Floor, Boston, MA 02114–2023, business hours: 10 a.m. to 3 p.m., Monday through Thursday, telephone: (617) 918–1990.

**FOR FURTHER INFORMATION CONTACT:** Robin Biscaia, Hazardous Waste Unit, Office of Ecosystems Protection, EPA New England, One Congress Street, Suite 1100 (CHW), Boston, MA 02114–2023, telephone: (617) 918–1642.

**SUPPLEMENTARY INFORMATION:**

### A. Why are Revisions to State Programs Necessary?

States which have been authorized to administer the Federal hazardous waste program under RCRA section 3006(b), 42 U.S.C. 6926(b), have a continuing obligation to update their programs to meet revised Federal requirements. As the Federal program changes, States must change their programs and ask EPA to authorize the changes. Changes to State programs may be necessary when Federal or State statutory or regulatory authority is modified or when certain other changes occur. Most commonly, States must revised their programs because of changes to EPA's regulations in 40 Code of Federal Regulations (CFR) parts 124, 260 through 266, 268, 270, 273 and 279. The EPA may grant final authorization to a State version if it is equivalent to, consistent with, and no less stringent than Federal RCRA requirements.

### B. What Decisions Have We Made in This Rule?

We conclude that the State of Rhode Island's application to revise its authorized program meets all of the statutory and regulatory requirements established by RCRA. Therefore, we grant the State of Rhode Island Final authorization to operate its hazardous waste program with the changes described in the authorization application. Rhode Island has responsibility for permitting Treatment, Storage, and Disposal Facilities (TSDFs) within its borders (except in Indian Country) and for carrying out the aspects of the RCRA program described in its revised program application, subject to the limitations of the Hazardous and Solid Waste Amendments of 1984 (HSWA). New Federal requirements and prohibitions imposed by Federal regulations that EPA promulgates under the authority of HSWA take effect in authorized States before they are authorized for the requirements. Thus, EPA will

implement those requirements and prohibitions in the State of Rhode Island, including issuing permits, until the State is granted authorization to do so.

### C. What is the Effect of Today's Authorization Decision?

The effect of this decision is that a facility in Rhode Island subject to RCRA will have to comply with the newly authorized State requirements instead of the Federal requirements in order to comply with RCRA. The State of Rhode Island has enforcement responsibilities under its State hazardous waste program for violations of such programs, but EPA also retains its full authority under RCRA sections 3007, 3008, 3013, and 7003.

This action does not impose additional requirements on the regulated community because the state regulations for which authorization to the State of Rhode Island is being granted by today's action are already in effect under state law, and are not changed by today's action.

### D. Why Wasn't There a Proposed Rule Before Today's Rule?

EPA did not publish a proposal before today's rule because we view this as a routine program change and do not expect comments that oppose this approval. We are providing an opportunity for public comment now. In addition to this rule, in the proposed rules section of today's **Federal Register** we are publishing a separate document that proposes to authorize the State program changes.

### E. What Happens if EPA Receives Comments That Oppose This Action?

If EPA receives comments that oppose this authorization, we will withdraw this rule by publishing a document in the **Federal Register** before the rule becomes effective. EPA will base any further decision on the authorization of the State program changes on the proposal mentioned in the previous paragraph. We will then address all public comments in a later final rule. You may not have another opportunity to comment. If you want to comment on this authorization, you must do so at this time.

If we receive comments that oppose only the authorization of a particular change to the State hazardous waste program, we will withdraw that part of this rule but the authorization of the program changes that the comments do not oppose will become effective on the date specified above. The **Federal Register** withdrawal document will specify which part of the authorization will become effective, and which part is being withdrawn.

### F. What has Rhode Island Previously Been Authorized for?

Rhode Island initially received Final Authorization on January 30, 1986, effective January 31, 1986 (51 FR 3780) to implement its base hazardous waste management program. We granted authorization for changes to their program on March 12, 1990, effective March 26, 1990 (55 FR 9128), March 6, 1992 effective May 5, 1992 (57 FR 8089) and October 2, 1992 effective December 1, 1992 (57 FR 45574).

### G. What Changes are We Authorizing in Today's Action

On December 12, 2001 Rhode Island submitted a program revision application seeking authorization of their changes in accordance with 40 CFR 271.24. This application was supplemented by an Attorney General's Statement dated April 3, 2002 and by a letter dated May 15, 2002 relating to the Rhode Island Environmental Compliance Incentive Act. Thus, the application was complete as of May 15, 2002. We now make an immediate final decision, subject to receipt of written comments that oppose this action, that Rhode Island's hazardous waste program revision satisfies all of the requirements necessary to qualify for final authorization.

The specific RCRA program revisions for which the EPA grants final authorization to Rhode Island are listed in the table below. The Federal requirements in the table are identified by their checklist numbers and rule descriptions. The following abbreviations are used in defining equivalent state authority: RIGL means Rhode Island General Laws; Rules means ''Rules and Regulations for Hazardous Waste Management.''

| Description of Federal Requirement and Checklist Reference Number | Analogous State Authority [1] |
|---|---|
| Non-HSWA Cluster IV: | |
| (40) List (Phase 1) of Hazardous Constituents for Ground Water Monitoring: 52 FR 25942; 7/9/87. | Rule 9.03, 8.04(G), 8.01(G). |
| (41) Identification and Listing of Hazardous Waste: 52 FR 26012; 7/10/87. | Rule 3.32. |
| (43) Liability Requirements for Hazardous Waste Facilities; Corporate Guarantee; 52 FR 44314; 11/18/87. | Rule 9.17, 8.04(T) 7.01(E). |
| (45) Hazardous Waste Miscellaneous Units; 52 FR 46946; 12/10/87. | Rule 3.48, 3.100, 12.00, 8.05, 9.20, 8.04(K), 9.05, 9.12, 9.03, 8.04(G), 9.16, 8.04(R), 9.17, 8.04(T), 12.02, 12.01. |
| Non-HSWA Cluster V: | |
| (59) Hazardous Waste Miscellaneous Units; Standards Applicable to Owners and Operators: 54 FR 615; 1/9/89. | Rule 8.04(K), 8.04(R), 12.01. |
| HSWA Cluster I: | |
| (17A) Small Quantity Generators: 50 FR 28702; 7/15/85 ..... | See Checklist 23 entry. |
| (23) Generators of 100 to 1000 kg Hazardous Waste: 51 FR 10146; 3/24/86. | Rule 2.02(B), 3.100, 5.02(D), 5.05, 3.32, 5.0, 13.06(B)(1)(c), 2.02(E), 5.02(A), 6.04(K), 8.01(J). |
| (32) Standards for Generators; Waste Minimization Certifications; 51 FR 35190, 10/1/86. | Rule 2.02(B), 5.03(G), Rhode Island Uniform Hazardous Waste Manifest. |
| HSWA Cluster II: | |
| (42) Exception Reporting for Small Quantity Generators of Hazardous Waste: 52 FR 35894; 9/23/87. | Rule 2.02(B), 5.0, 5.03(I). |
| (47) Identification and Listing of Hazardous Waste; Technical Correction: 53 FR 27162; 7/19/88. | Rule 3.32, 5.0. |
| (74) Toxicity Characteristic Revisions: 55 FR 11798, 3/29/90 as amended on 6/29/90 55 FR 26989. | Rule 3.32, 3.67(M)(7), 3.67(L), 5.08, 3.79, 10.01(E), 10.01(B), 10.01(D), 2.02(B), 3.98. |
| RCRA Cluster I: | |
| (80) Toxicity Characteristic; Hydrocarbon Recovery Operations: 55 FR 40834, 10/5/90 as amended on 2/1/91, 56 FR 3978 as amended on 4/2/91, 56 FR 13406, optional rule. | Rule 3.32. |

| Description of Federal Requirement and Checklist Reference Number | Analogous State Authority [1] |
|---|---|
| (84) Toxicity Characteristic; Chlorofluoro Refrigerants: 56 FR 5910, 2/13/91, optional rule. | Rule 3.32. |
| RCRA Cluster III: | |
| (108) Toxicity Characteristic Revision; Technical Correction: 57 FR 30657, 7/10/92. | Rule 3.32, 10.01(E). |
| (117B) Toxicity Characteristic Amendment: 57 FR 23062, 6/1/92 ... | Rule 3.32. |
| (119) Toxicity Characteristic Revision, TCLP Correction: 57 FR 55114, 11/24/92, as amended on February 2, 1993 at 58 FR 6854, optional rule. | Rule 3.79. |
| RCRA Cluster V: | |
| 142(A) Universal Waste Rule: General Provisions; 60 FR 25492 5/11/95, optional rule. | Rule 2.02(B), 3.98, 3.19, 3.86, 3.87, 3.89, 3.32, 5.00, 13.01, 2.02(E), 13.05(A)–(D), 13.06, 13.06(A)–(D), 13.06(F)–(J), 13.06(L)–(S), 3.31, 3.50, 3.58, 3.71, 3.88. |
| 142(B) Universal Waste Rule: Specific Provisions for Batteries; 60 FR 25492, 5/11/95, optional rule. | 3.06, 3.86, 2.02(B), 3.98, 13.01(A), 13.05, 13.05(A)–(D), 13.06, 13.06(A), (E), (F), (K), and (L). |
| (142C) Universal Waste Rule: Specific Provisions for Pesticides; 60 FR 25492, 5/11/95, optional rule. | Rule 3.63, 3.86, 13.01(B), 13.05, 13.05(A)–(D), 13.06, 13.06(A), (E), (F), (J), (K), and (L), 3.29. |
| (142D) Universal Waste Rule: Specific Provisions for Thermostats; 60 FR 25492, 5/11/92, optional rule. | Rule 3.78, 3.86, 13.01(C), 13.05, 13.05(A)–(D), 13.06, 13.06(A), (E), (F), (K), and (L). |
| (142E) Universal Waste Rule: Petition Provisions to Add a New Universal Waste; 60 FR 25492, 5/11/95, optional rule. | Rule 2.02(B), 3.98, 13.06, 13.06(T). |
| RCRA Cluster VII: | |
| (153) Conditionally Exempt Small Quantity Generator Disposal Options under Subtitle D, 61, FR 34252, 7/1/96. | Rule 3.32, 5.0, 13.06(B)(1)(c). |
| RCRA Cluster X: | |
| (181) Universal Waste Rule: Specific Provisions for Hazardous Waste Lamps; 64 FR 36466, 7/6/99, optional rule. | Rule 3.57, 3.86, 3.86(f), 13.04, 13.04(A)–(C), 13.01(F), 13.05, 13.05(A)–(D), 13.04(A)–(C), 3.50, 3.71, 13.06(E)(3), 13.06(F)(3), 13.06(J)(1), 13.06(K)(3), 13.06(L)(3). |
| (184) Accumulation Time for Waste Water Treatment Sludges: 65 FR 12378, 3/8/00, optional rule. | Rule 5.02(A), 5.02(D), 5.02(D)(1)–(4). |

[1] The State of Rhode Island's provisions are from Rhode Island General Law 23–19:1–6 (1996 Re-enactment) and ''Rules and Regulations for Hazardous Waste Management,'' Rules 1.00–14.00, as amended through September 17, 2001.

**H. Where are the Revised State Rules Different from the Federal Rules?**

The major difference in Rhode Island's regulatory program as compared to the federal program is that it is more stringent with regard to the regulation of small quantity generators (SQGs), *i.e.,* generators of less than 1,000 kg/month and conditionally exempt generators (CESQGs), *i.e.,* generators of less than 100 kg/month. The State rules for hazardous waste generators apply to all generators regardless of size with some exceptions as identified below:

Rule 5.0 [Generators] specifies that certain federal provisions which allow reduced requirements for SQGs and CESQGs (40 CFR 261.5, 40 CFR 262.20(e), 40 CFR 262.42(b) and 40 CFR 262.44) do not apply in Rhode Island except as provided in Rule 5.02(B) and (C) and Rules 5.05, 5.06 and 13.06B (described below):

• Rule 5.02(B) and (C) provides some reduced requirements for SQG/CESQGs accumulating waste on site. The generator may only accumulate up to 3,000 kg of waste on site at any time (v. the federal limit of 6,000 kg) with 90 days maximum storage (v. the federal storage limit of 180 days) and must comply with the acute waste limits set out in 40 CFR 261.5(e)(1) and (2). Rule 5.02(B) provides that when such generators accumulate waste in tanks, they shall not be subject to 40 CFR part 265, subpart J [Tank Systems] except for 40 CFR 265.201 [Special requirements for generators of between 100 and 1,000 kg/month that accumulate hazardous waste in tanks]. Rule 5.02(C) provides that when such generators accumulate waste on site, they shall not be subject to 40 CFR part 265, subpart CC [Air Emission Standards for Tanks, Surface Impoundments and Containers].

• Rule 5.05 [Biennial Reports] specifies that SQGs are not required to prepare and submit a biennial report.

• Rule 5.06 [Record Keeping] specifies that SQGs are not required to maintain copies of biennial reports unless specifically requested by the Director to prepare and submit one.

• Rule 13.06B [replacing 40 CFR 273.5—Applicability—household and conditionally exempt small quantity generator waste] requires persons who are federal CESQGs and who generate universal waste to manage those wastes either in compliance with 40 CFR 261.5 or the universal waste management requirements of this part. Facilities which accept household hazardous waste only, for subsequent off-site management in accordance with these regulations, will be considered to be generators subject to the requirements of section 5.0 of Rhode Island's rules.

Rhode Island's hazardous waste program revisions also include the State's Universal Wastes Rule [13.0 Universal Waste]. In addition to adopting regulations covering the federal universal wastes of pesticides, batteries, thermostats and mercury-containing lamps, Rhode Island has added two new wastes to its rule: cathode ray tubes and mercury-containing devices. A state may include such additional universal wastes, pursuant to the authority of 40 CFR part 273, subpart G (petition process for inclusion of additional universal wastes).

The requirements referenced above are part of Rhode Island's authorized program and are federally enforceable.

The following State requirement goes beyond the scope of the Federal program:

• Rhode Island does not provide an exemption for PCB waste that is regulated under the Toxic Substances Control Act (TSCA) as does the federal program at 40 CFR 261.8. (See Rule 3.67(L)(7)). Instead, Rhode Island regulates PCB wastes which contains polychlorinated biphenyls at a concentration of 50 parts per million or greater or shows ten micrograms per one hundred square centimeters as measured by standard wipe tests as

extremely hazardous waste under its hazardous waste program.

Broader-in-scope requirements are not part of the authorized RCRA program and EPA can not enforce them. Although you must comply with these requirements in accordance with state law, they are not federal RCRA requirements.

**I. Who Handles Permits After This Authorization Takes Effect?**

Rhode Island will issue permits for all the provisions for which it is authorized and will administer the permits it issues. EPA will continue to administer any RCRA hazardous waste permits or portions of permits which we issued prior to the effective date of this authorization. EPA will continue to implement and issue permits for HSWA requirements for which Rhode Island is not yet authorized.

**J. How Does Today's Action Affect Indian Country (18 U.S.C. 115) in Rhode Island?**

Rhode Island is not authorized to carry out its hazardous waste program in Indian country within the State which includes the land of the Narragansett Indian Tribe. Therefore, this action has no effect on Indian country. EPA will continue to implement and administer the RCRA program in these lands.

**K. What is Codification and is EPA Codifying Rhode Island's Hazardous Waste Program as Authorized in This Rule?**

Codification is the process of placing the State's statutes and regulations that comprise the State's authorized hazardous waste program into the Code of Federal Regulations. We do this by referencing the authorized State rules in 40 CFR part 272. We are today authorizing, but not codifying, the enumerated revisions to the Rhode Island program. We reserve the amendment of 40 CFR part 272, subpart OO for the codification of Rhode Island's program until a later date.

**L. Administrative Requirements**

The Office of Management and Budget has exempted this action from the requirements of Executive Order 12866 (58 FR 51735, October 4, 1993) and, therefore, this action is not subject to review by OMB. This action authorizes state requirements for the purpose of RCRA 3006 and imposes no additional requirements beyond those imposed by state law. Accordingly, I certify that this action will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.). Because this action authorizes pre-existing requirements under state law and does not impose any additional enforceable duty beyond that required by state law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4). For the same reason, this action also does not significantly or uniquely affect the communities of tribal governments, as specified by Executive Order 13084 (63 FR 27655, May 10, 1998). This action will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132 (64 FR 43255, August 10, 1999), because it merely authorizes state requirements as part of the State RCRA hazardous waste program without altering the relationship or the distribution of power and responsibilities established by RCRA. This action also is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997), because it is not economically significant and it does not make decisions based on environmental health or safety risks.

Under RCRA 3006(b), EPA grants a State's application for authorization as long as the State meets the criteria required by RCRA. It would thus be inconsistent with applicable law for EPA, when it reviews a State authorization application, to require the use of any particular voluntary consensus standard in place of another standard that otherwise satisfies the requirements of RCRA. Thus, the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) do not apply. As required by section 3 of Executive Order 12988 (61 FR 4729, February 7, 1996), in issuing this rule, EPA has taken the necessary steps to eliminate drafting errors and ambiguity, minimize potential litigation, and provide a clear legal standard for affected conduct. EPA has complied with Executive Order 12630 (53 FR 8859, March 15, 1988) by examining the takings implications of the rule in accordance with the ''Attorney General's Supplemental Guidelines for the Evaluation of Risk and Avoidance of Unanticipated Takings'' issued under the executive order. This rule does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.).

The Congressional Review Act, 5 U.S.C. 801 et seq., as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this document and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication in the **Federal Register.** A major rule cannot take effect until 60 days after it is published in the **Federal Register.** This action is not a ''major rule'' as defined by 5 U.S.C. 804(2). This action, nevertheless, will be effective 60 (sixty) days after publication pursuant to the procedures governing immediate final rules.

**List of Subjects in 40 CFR Part 271**

Environmental protection, Administrative practice and procedure, Confidential business information, Hazardous materials transportation, Hazardous waste, Indians-lands, Intergovernmental relations, Penalties, Reporting and recordkeeping requirements.

**Authority:** This action is issued under the authority of sections 2002(a), 3006 and 7004(b) of the Solid Waste Disposal Act as amended 42 U.S.C. 6912(a), 6926, 6974(b).

Dated: July 6, 2002.

**Robert W. Varney,**

*Regional Administrator, EPA New England.*

[FR Doc. 02–19979 Filed 8–8–02; 8:45 am]

BILLING CODE 6560–50–M

## FEDERAL EMERGENCY MANAGEMENT AGENCY

## 44 CFR Part 62

**RIN 3067–AD30**

## National Flood Insurance Program (NFIP); Assistance to Private Sector Property Insurers

**AGENCY:** Federal Emergency Management Agency (FEMA).

**ACTION:** Final rule.

**SUMMARY:** We (the Federal Insurance and Mitigation Administration of FEMA) are changing the effective date of the Financial Assistance/Subsidy Arrangement (''the Arrangement'') to October 1, 2002. The Arrangement defines the duties and responsibilities of insurers that sell and service flood insurance under the Write Your Own

program. It also identifies the responsibilities of the Government to provide financial and technical assistance to these insurers.

**EFFECTIVE DATE:** October 1, 2002.

**FOR FURTHER INFORMATION CONTACT:** Edward L. Connor, Federal Emergency Management Agency, Federal Insurance and Mitigation Administration, (202) 646–3429, (facsimile) (202) 646–3445, or (email) *edward.connor@fema.gov.*

**SUPPLEMENTARY INFORMATION:** On August 6, 2001, we published in the **Federal Register** (Vol. 66, No. 151, page 40916) a final rule that adjusted the expense allowance under the Arrangement to reflect more accurately the costs of the private insurers that sell and service flood insurance under the Arrangement. That rule also revised the effective date of the Arrangement.

This final rule revises the effective date of the Arrangement to agree with the new Arrangement year that begins October 1. 2002. We are not making any other changes to the Arrangement for fiscal year 2003.

### National Environmental Policy Act

The requirements of 44 CFR part 10, Environmental Consideration, categorically exclude this final rule. We have not prepared an environmental impact assessment.

### Executive Order 12866, Regulatory Planning and Review

This final rule is not a significant regulatory action within the meaning of § 2(f) of E.O. 12866 of September 30, 1993, 58 FR 51735, but attempts to adhere to the regulatory principles set forth in E.O. 12866. The Office of Management and Budget has not reviewed this final rule under E.O. 12866.

### Paperwork Reduction Act

This final rule does not contain a collection of information and is therefore not subject to the provisions of the Paperwork Reduction Act.

### Executive Order 13132, Federalism

This final rule involves no policies that have federalism implications under E.O. 13132, Federalism.

### Executive Order 12778, Civil Justice Reform

This final rule meets the applicable standards of § 2(b)(2) of E.O. 12778.

### List of Subjects in 44 CFR Part 62

Flood insurance.

Accordingly, we amend 44 CFR Part 62 as follows:

## PART 62—SALE OF INSURANCE AND ADJUSTMENT OF CLAIMS

1. The authority citation for part 62 continues to read as follows:

**Authority:** 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 43 FR 41943, 3 CFR, 1978 Comp., p. 329; E.O. 12127 of Mar. 31, 1979, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

2. In appendix A to part 62, revise the *Effective Date* to read as follows:

### Appendix A to Part 62—Federal Emergency Management Agency, Federal Insurance Administration, Financial Assistance/Subsidy Arrangement

* * * * *

*Effective Date:* October 1, 2002.

* * * * *

(Catalog of Federal Domestic Assistance No. 83.100, ''Flood Insurance''; No. 83.516, ''Disaster Assistance'')

Dated: July 30, 2002.

**Howard Leikin,**

*Deputy Administrator for Insurance, Federal Emergency Management Agency.*

[FR Doc. 02–20152 Filed 8–8–02; 8:45 am]

BILLING CODE 6718–03–P

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## FEDERAL COMMUNICATIONS COMMISSION

## 47 CFR Part 73

**[DA 02–1687, MB Docket No. 02–94, RM–10423]**

## Digital Television Broadcast Service; Athens, GA

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** The Commission, at the request of Georgia Public Telecommunications Commission, licensee of noncommercial station WGTV–TV, substitutes DTV channel *12 for DTV channel *22 at Athens, Georgia. *See* 17 FCC Rcd 755 (2002). DTV channel *12 can be allotted to Athens in compliance with the principle community coverage requirements of Section 73.625(a) at reference coordinates 33–48–18 N. and 84–08–40 W. with a power of 16, HAAT of 305 meters and with a DTV service population of 3211 thousand. With is action, this proceeding is terminated.

**DATES:** Effective September 3, 2002.

**FOR FURTHER INFORMATION CONTACT:** Pam Blumenthal, Media Bureau, (202) 418–1600.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Report and Order, MB Docket No. 02–94, adopted July 15, 2002, and released July 19, 2002. The full text of this document is available for public inspection and copying during regular business hours in the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY–A257, Washington, DC. This document may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW., CY–B402, Washington, DC, 20554, telephone 202–863–2893, facsimile 202–863–2898, or via e-mail *qualexint@aol.com.*

### List of Subjects in 47 CFR Part 73

Digital television broadcasting, Television.

Part 73 of Title 47 of the Code of Federal Regulations is amended as follows:

## PART 73—[AMENDED]

1. The authority citation for part 73 continues to read as follows:

**Authority:** 47 U.S.C. 154, 303, 334 and 336.

### § 73.622 [Amended]

2. Section 73.622(b), the Table of Digital Television Allotments under Georgia, is amended by removing DTV channel *22 and adding DTV channel *12 at Athens.

Federal Communications Commission.

**Barbara A. Kreisman,**

*Chief, Video Division, Media Bureau.*

[FR Doc. 02–20186 Filed 8–8–02; 8:45 am]

BILLING CODE 6712–01–P

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## FEDERAL COMMUNICATIONS COMMISSION

## 47 CFR Part 73

**[DA 02–1668, MB Docket No. 02–84, RM–10339]**

## Digital Television Broadcast Service; San Mateo, CA

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** The Commission, at the request of San Mateo County Community College District, licensee of noncommercial educational station KCSM–TV, San Mateo, California, substitutes DTV channel *43 for DTV channel *59 at San Mateo. *See* 67 FR 20942, April 29, 2002. DTV channel *43 can be allotted to San Mateo in compliance with the principle community coverage requirements of Section 73.625(a) at reference coordinates 37–45–19 N. and 122–27–06

W. with a power of 1000, HAAT of 444 meters and with a DTV service population of 5476 thousand. With this action, this proceeding is terminated.

**DATES:** Effective September 3, 2002.

**FOR FURTHER INFORMATION CONTACT:** Pam Blumenthal, Media Bureau, (202) 418–1600.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Report and Order, MB Docket No. 02–84, adopted July 11, 2002, and released July 18, 2002. The full text of this document is available for public inspection and copying during regular business hours in the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY–A257, Washington, DC. This document may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW., CY–B402, Washington, DC, 20554, telephone 202–863–2893, facsimile 202–863–2898, or via e-mail *qualexint@aol.com.*

**List of Subjects in 47 CFR Part 73**

Digital television broadcasting, Television.

Part 73 of Title 47 of the Code of Federal Regulations is amended as follows:

## PART 73—[AMENDED]

1. The authority citation for part 73 continues to read as follows:

**Authority:** 47 U.S.C. 154, 303, 334 and 336.

**§ 73.622 [Amended]**

2. Section 73.622(b), the Table of Digital Television Allotments under California, is amended by removing DTV channel *59 and adding DTV channel *43 at San Mateo.

Federal Communications Commission.

**Barbara A. Kreisman,**

*Chief, Video Division, Media Bureau.*

[FR Doc. 02–20187 Filed 8–8–02; 8:45 am]

**BILLING CODE 6712–01–P**

## DEPARTMENT OF TRANSPORTATION

## Federal Motor Carrier Safety Administration

## 49 CFR Part 393

**[Docket No. FMCSA–99–6266]**

**RIN 2126–AA46**

## Brake Performance Requirements for Commercial Motor Vehicles Inspected by Performance-Based Brake Testers

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), DOT.

**ACTION:** Final rule.

**SUMMARY:** The FMCSA amends the Federal Motor Carrier Safety Regulations (FMCSRs) to establish pass/fail criteria for use with performance-based brake testers (PBBT), which measure the braking performance of commercial motor vehicles. A PBBT is a device that can assess vehicle braking capability through quantitative measure of individual wheel brake forces or overall vehicle brake performance in a controlled test. The specific types of PBBTs addressed in this rule are the roller dynamometer, breakaway torque tester, and flat-plate tester. Only those PBBTs that meet certain functional specifications, developed by FMCSA, can be used to enforce the FMCSRs. The final rule allows motor carriers and State and local enforcement officials to use PBBTs to determine compliance with existing brake performance requirements.

**DATES:** This final rule is effective on February 5, 2002.

**FOR FURTHER INFORMATION CONTACT:** Mr. Gary R. Woodford, (202) 366–2978, Office of Bus and Truck Standards and Operations, Federal Motor Carrier Safety Administration (MC–PSV), U.S. Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590. Office hours are from 7:45 a.m. to 4:15 p.m., e.t., Monday through Friday, except Federal holidays.

**SUPPLEMENTARY INFORMATION:**

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### Background

On August 9, 2000, the FMCSA published a notice of proposed rulemaking (NPRM) in the **Federal Register** (65 FR 48660), addressing brake performance requirements for commercial motor vehicles (CMVs) inspected by performance-based brake testers (PBBTs). The notice proposed to amend the FMCSRs by establishing pass/fail criteria for PBBTs, when used to measure CMV braking performance. A PBBT is a device that can assess vehicle braking capability through quantitative measure of individual wheel brake forces, or overall vehicle brake performance, in a controlled test. The specific types of PBBTs addressed in the notice were the roller dynamometer, breakaway torque tester, and flat-plate tester. Only those PBBTs which meet certain functional specifications developed by FMCSA and discussed below could be used to enforce the FMCSRs. The proposal would allow motor carriers and State and local enforcement officials to use PBBTs to determine compliance with § 393.52.

The proposal represented the culmination of agency research that began in the early 1990s. Further information on the research, and on PBBT basic principles of operation, are available in the NPRM of August 9, 2000. The research included: (1) field evaluation tests, ''Development, Evaluation, and Application of Performance-Based Brake Testing Technologies,'' February 1999, Report No. FHWA–MC–98–046, and (2) round-robin tests, ''PBBT Round-Robin Testing,'' February 2000. (The term ''round-robin'' describes a series of tests in which a single ''standard'' is used to evaluate the consistency of various test apparatus. In the round-robin presented in this report, the ''standard'', a specific configuration of brake forces and wheel loads on a heavy-duty vehicle, was used to evaluate the candidate PBBTs and their operating protocols.)

### PBBT Functional Specifications and MCSAP Funding Eligibility

On August 9, 2000, the FMCSA also published in the **Federal Register** a notice of final determination (65 FR 48799) establishing functional specifications for PBBTs, ''Guidelines for Development of Functional Specifications for Performance-Based Brake Testers Used to Inspect Commercial Motor Vehicles.'' Data gathered during the PBBT field evaluation research served as background for developing the specifications. The specifications are generic, and therefore applicable to a range of PBBT technologies. They include requirements for: (1) Functional performance, such as measurement accuracy with tolerances, calibration, and operator interface, (2) physical characteristics including portability, (3) environmental resistance, (4) operator safety, (5) documentation, including operator and maintenance manuals; and (5) skill level and number of operator personnel required. The specifications also include quality assurance

provisions or methodologies for verifying PBBT compliance with each of the functional specifications. The methodologies include analysis, test, demonstration, inspection, and certified vendor data. The intent of the specifications is to ensure a minimum level of PBBT accuracy and performance.

Under the PBBT functional specifications, a PBBT manufacturer self-certifies its PBBT to meet the functional specifications at the time of manufacture, and also states which specifications, if any, its PBBT does not meet. PBBTs that are certified to meet the functional specifications are eligible for funding under the Motor Carrier Safety Assistance Program (MCSAP). The MCSAP is a Federal program, administered by FMCSA, providing funds to States and U.S. territories in support of commercial motor vehicle safety. This means that States or territories may use MCSAP funding to purchase one of the certified PBBTs for use in commercial motor vehicle brake inspections. As part of the self-certification process, the PBBT manufacturer must sign a declaration, under penalty of perjury, that its PBBT meets the functional specifications at the time of manufacture. States are allowed to spend MCSAP funds for a PBBT only if the manufacturer has signed such a declaration and presented it to the State. Further information on self-certification and the functional specifications are available in the August 9, 2000 notice of final determination.

**Current Brake Performance Requirements**

Currently, the requirements for CMV braking performance are specified in § 393.52, Brake Performance. Sections 393.52(a)(1), (a)(2), and (a)(3) specify service brake system requirements for minimum braking force ($BF_{Total}$) as a percentage of actual gross vehicle weight (GVW), minimum deceleration, and maximum stopping distance, respectively, all from a vehicle speed of 32.2 km/hr (20 mph). For service brake systems all three requirements must be met to achieve compliance with the regulation. The requirements apply to all CMVs or CMV combinations subject to the FMCSRs, under any loading condition.

However, there are practical difficulties in performing such tests at roadside inspection facilities, because of space limitations and CMVs with deceleration-sensitive cargo. Thus, Federal and State officials rarely enforce the current performance requirements. Instead, current inspections involve visual, ''hands-on'' examination of brake system components to identify unsafe vehicles, based on guidelines developed by the Commercial Vehicle Safety Alliance (CVSA). While successful and productive, this method does have limitations, such as the number of vehicles that can be inspected on a given day. PBBTs, on the other hand, have the advantage of being able to measure actual vehicle braking performance as well as the potential for increased CMV volume during roadside inspections.

**Proposed PBBT Pass/Fail Criteria**

In the NPRM of August 9, 2000, the FMCSA proposed brake performance criteria for use with PBBTs in determining CMV service brake system compliance with § 393.52(a)(1) and (a)(2). These are the requirements for minimum braking force as a percentage of gross vehicle weight ($BF_{Total}$/GVW) and minimum deceleration. The proposed PBBT criteria would not replace existing requirements, but would serve as an alternative whenever PBBTs were used for determining compliance with § 393.52(a)(1) and (a)(2).

The specific PBBT performance criteria proposed by the agency were the same requirements for minimum $BF_{Total}$/GVW and minimum deceleration, that are already specified in the current regulation, § 393.52(a)(1) and (a)(2). The regulation requires CMVs to meet all three of the performance measures shown. This would not change under the proposal. However, enforcement officials and motor carriers could use PBBTs to determine compliance with the requirements for minimum braking force as a percentage of gross vehicle weight, $BF_{Total}$/GVW, specified in § 393.52(a)(1). Compliance with this requirement would also satisfy the minimum deceleration requirement specified in § 393.52(a)(2), because of the simple mathematical relationship that exists between the two parameters ($BF_{Total}$/GVW = deceleration/acceleration of gravity).

Therefore, those CMVs which achieve a maximum PBBT-measured $BF_{Total}$/GVW that is equal to or greater than the required braking force levels, would be considered in compliance with both the braking force and deceleration requirements specified in § 393.52(a)(1) and (a)(2), respectively. Those CMVs that do not meet the braking force levels would be considered in non-compliance with both the braking force and deceleration requirements. The PBBT pass/fail criteria would apply to all CMVs or CMV combinations, and the agency proposed that it become effective 30 days after issuance of a final rule.

The agency also requested comments on: (1) The appropriateness of using criteria taken from the current regulation, since the latest amendments to those requirements were published 28 years earlier, (2) whether PBBT-measured $BF_{Total}$/GVW should be used to satisfy stopping distance requirements in addition to minimum deceleration, (3) whether the FMCSA should require a post-inspection PBBT measurement to certify correction of an earlier PBBT-measured braking deficiency, (4) PBBT standardized test procedures, and (5) PBBT operator training.

**Comments**

FMCSA received comments to the proposal from the following 15 different organizations: American Trucking Associations, Inc. (ATA), ArvinMeritor, Inc. (ArvinMeritor), Beissbarth Automotive Service Equipment (Beissbarth), Bendix Commercial Vehicle Systems (Bendix), Commercial Vehicle Safety Alliance (CVSA), Electraulic, Inc. (Electraulic), Heavy Duty Brake Manufacturers Council (HDBMC), Hunter Engineering Company (Hunter), Iowa Department of Transportation (Iowa DOT), Motor Coach Industries, Inc. (MCI), National Automobile Dealers Association (NADA), Radlinski & Associates, Inc. (Radlinski), Truck Manufacturers Association (TMA), TSD Holdings, Inc. (TSD), and Vipac Engineers and Scientists, Limited (Vipac). The commenters include: (1) Industry associations that represent truck dealers, truck and brake component manufacturers, and motor carriers, (2) State and local enforcement agencies; (3) brake tester manufacturers; (4) vehicle research and testing organizations; and (5) a motor coach manufacturer.

*General Support*

The following 10 commenters expressed support for the proposal: ATA, ArvinMeritor, Bendix, CVSA, HDBMC, Iowa DOT, MCI, NADA, Radlinski, and TSD.

ATA stated that it supports the use of PBBTs for enforcement and endorses the proposal. CVSA also fully supports the voluntary use of PBBTs for enforcement, and stated that PBBTs are a good complement to roadside inspection methods and out-of-service criteria in use today. CVSA also commended the FMCSA for its extensive research and testing, and leadership in this rulemaking. Both ATA and Radlinski pointed out the potential for PBBTs to

decrease the time involved in roadside brake inspections and make them less subjective. NADA commented on the advantages that PBBTs offer to State and local enforcement personnel over visual brake inspection methods. In supporting the proposal, ArvinMeritor stated that it believes FMCSA had approached the evaluation and implementation of PBBTs in a thorough and thoughtful manner.

Although Bendix and HDBMC commended FMCSA for its efforts, they also pointed out that agency research with PBBTs did not include vehicles with gross axle weight ratings (GAWRs) greater than 9,072 kg (20,000 pounds), such as special permit vehicles and heavy haulers. Both commenters expressed their interest in having FMCSA gather and report data on such vehicles.

In response, the FMCSA sees no need at this time to initiate research specifically for this purpose. The agency acknowledges that its PBBT research has focused on vehicles with GAWRs less than 9,072 kg (20,000 pounds). This is because they represent the majority of CMVs on the road today. The heavier vehicles, referred to by Bendix and HDBMC, comprise a very small portion of the CMV population. Moreover, the PBBT functional specifications, published in the August 9, 2000 notice of final determination, specify that brake testers be capable of operating with axles weighing up to 40,000 pounds. Therefore, the heavier vehicles will not be prohibited from being used on PBBTs. The FMCSA anticipates that as PBBT usage increases, data on such vehicles will become available.

Three other commenters, TMA, Hunter, and Vipac, although supportive of the use of PBBTs, did not support implementation of the proposal at the present time.

TMA requested the FMCSA to conduct further research and testing before proceeding with the proposed amendment. It stated that the FMCSA analysis is based on only two vehicles, used in the round-robin research, and that this limited sample may not accurately represent how well PBBT brake force measurements correlate to actual stopping distance, given the wide variety of CMV configurations. TMA included test data on 16 different CMV configurations, showing that the vehicles met federal motor vehicle safety standard stopping distance requirements from 60 mph for new vehicles. TMA stated, however, that four of the vehicles did not pass the proposed brake force measurement of 0.435 ($BF_{Total}$/GVW), when tested with a PBBT believed to meet the FMCSA functional specifications. Thus, TMA believes it would be detrimental to rush implementation of PBBT pass/fail criteria that may conflict with new vehicle brake performance requirements, or without understanding how this relates to in-service braking requirements.

In response to TMA, the FMCSA does not believe that further research is needed at the present time. Although the round-robin research did involve only two vehicles, the vehicles were considered representative of a majority of the CMV axle configurations on the road: (1) A two-axle flatbed straight truck and a (2) three-axle tractor, two-axle flatbed semi-trailer combination. In addition, a lack of correlation between vehicle stopping distance and maximum braking force, among the four vehicles that TMA refers to in its comment, does not necessarily mean there is a conflict between new vehicle and in-service requirements. As the agency pointed out in its proposal, these two parameters may not correlate, because maximum braking force is not sustained over an entire stop. In addition, there are other factors that can influence the relationship between stopping distance and braking force. A more direct comparison is that of maximum PBBT-measured braking force and maximum-measured braking force during an actual vehicle stop, which is what the FMCSA did in its round-robin research. Moreover, the agency has never claimed or intended that PBBT test results be used as a surrogate for determining compliance with 60 mph stopping distance requirements for new vehicles. The FMCSA is not aware of any data to correlate the results of low-speed brake performance tests and high-speed tests, such as those conducted by TMA. The agency finds that its research supports the use of PBBTs to assess the brake performance of CMVs, and that TMA's arguments do not warrant a delay in the issuance of this final rule.

Hunter, which manufactures flat-plate testers, asked that the FMCSA consider a different approach than the one proposed. It desires an approach that is not deceleration-based, and that takes better advantage of the individual capabilities of each brake tester type. Hunter stated that since the proposed pass/fail criteria are based on total vehicle brake force ($BF_{Total}$/GVW), it does not account for braking capability at individual wheels. In other words, a strong brake on one wheel could make up for a weak brake on another wheel, when summing total brake forces. According to Hunter, this would overlook brake force imbalances that can cause vehicle instability while braking. Hunter asserts that side-to-side brake balance measurements are the most reliable method of determining brake performance. Using brake balance as the criterion, would allow vehicles to stop on Hunter's flat-plate tester at a lower deceleration, such as 0.3g, rather than 0.435g, for example, contained in the FMCSA proposal. According to Hunter, this higher deceleration stop proposed in the NPRM is difficult to achieve in some cases, and leads to cargo shifting.

The FMCSA does not concur with Hunter's rationale. While brake balance is an important consideration in assessing overall brake performance, it does not necessarily indicate stopping distance capability. For example, stopping a vehicle with weak, well-balanced brakes at a deceleration of 0.3g does not necessarily mean that it will stop at the higher 0.435g deceleration proposed in the NPRM and required in the current regulation. The FMCSA believes that maximum braking force is a better surrogate than brake balance for assessing stopping distance capability of heavy vehicles during roadside inspection. Moreover, the agency's proposal required measurement of maximum brake force at each wheel, which in turn provides information on brake force imbalance for a given axle. Finally, as discussed in more detail later in the preamble, no other commenter indicated that the proposed brake force of 0.435, $BF_{Total}$/GVW, is too high for motor carriers to achieve.

Vipac only addressed the FMCSA round robin research referenced in the August 9, 2000 NPRM. Vipac commended the agency for its depth of research but recommended further work before implementing PBBT regulations. For the most part, the work that Vipac referred to involves roller dynamometer issues, including: (1) Over-predicting of brake force, (2) the need for improved algorithms by PBBT manufacturers (*i.e.,* the PBBT internal data processing methodology by which measured brake force is determined), (3) the effects of low roller speed on accuracy, and (4) vehicle-to-PBBT geometry during testing.

However, the FMCSA has already identified these four areas in its analysis of the round-robin research, and through additional research the agency has been working with PBBT manufacturers to resolve those issues. This work should be completed in 2002, and based on preliminary results, the FMCSA does not believe that a delay in moving forward with this rulemaking is warranted.

In its comments, Vipac also advocated as an alternative, a new technology, the

on-board decelerometer, which measures deceleration rate during a vehicle stop. Vipac stated that this technology is less costly and more accurate than the PBBTs addressed in this rulemaking. As the FMCSA pointed out in its NPRM, a space convenient and large enough to perform a panic stop with a CMV can be difficult to find at roadside inspection facilities. Moreover, the technology referred to by Vipac is outside the scope of this rulemaking.

The two remaining commenters, Beissbarth and Electraulic, did not specifically address the proposal. Beissbarth stated that based on its experience, flat-plate and breakaway torque testers do not provide accurate results over time. However, Beissbarth provided no information to support this claim. Electraulic expressed interest in the PBBT program, but provided no other comments in response to the proposal.

Therefore, based on the strong support from a majority of commenters, the FMCSA is today establishing pass/fail criteria for use with PBBTs in determining CMV service brake system compliance with § 393.52(a)(1) and (a)(2).

*Appropriateness of Criteria*

In the NPRM of August 9, 2000, the FMCSA asked for comments on whether the proposed PBBT pass/fail criteria are still appropriate in light of more recent brake system and brake testing technologies. The agency pointed out that the proposed criteria for $BF_{Total}$/GVW are the same as those in the current regulation, which has not been amended since 1972.

Five commenters addressed this issue. They are ATA, CVSA, HDBMC, Hunter, and Radlinski. All of the commenters expressed support for the proposed level of PBBT pass/fail criteria, with the exception of Hunter as already discussed. Both ATA and CVSA stated that using the same pass/fail criteria that are currently in § 393.52 is appropriate, since those requirements were used in developing the current CVSA North American Uniform Out-of-Service Criteria. State and local enforcement personnel use these criteria today to determine whether a vehicle should be placed out-of-service for inadequate service brakes. ATA and CVSA also pointed out, however, that the agency should make it clear that the PBBT pass/fail criteria are minimums. The FMCSA agrees. CMVs which *meet or exceed* the PBBT pass/fail criteria would be considered in compliance with the brake force and deceleration requirements of § 393.52(a)(1) and (a)(2).

Radlinski stated that the PBBT pass/fail criteria are appropriate for vehicles with good brakes. In support of its claim Radlinski provided data on 81 different vehicles that it had tested using a Radlinski PBBT. All of the vehicles were proving ground-tested for stopping capability, inspected, and found to have defect-free brakes. The PBBT test data show that all of the vehicles passed the criterion ($BF_{Total}$/GVW = 0.435) by a significant margin. However, Radlinski also pointed out that a vehicle with adequate brakes might fail the test, if the coefficient of friction (COF) between the test surface and tire falls substantially below 0.6. This could occur when the tire is wet and may not have enough friction to develop the required brake force. The COF of 0.6 between the PBBT test surface and tire is the minimum under dry conditions specified in the FMCSA final PBBT functional specifications of August 9, 2000. Radlinski stated that the FMCSA should consider establishing an absolute lower COF in order for a test to be considered valid, and suggested 0.55. Although COF is outside the scope of this rulemaking, the FMCSA appreciates Radlinski's comments, and will consider this issue for further action.

As discussed earlier, Hunter advocates a $BF_{Total}$/GVW that is lower than 0.435, such as 0.3. However, for the reasons already given above, the FMCSA believes Hunter has not provided sufficient rationale to assure adequate safety using lower PBBT pass/fail criteria.

Based on these comments, the FMCSA has adopted the PBBT pass/fail criteria in today's final rule.

*Stopping Distance Requirements*

In its proposal of August 9, 2000, the FMCSA proposed retaining the stopping distance requirement from 32.2 km/hr (20 mph) specified in § 393.52(a)(3), because it believed that a satisfactory PBBT-measured braking force would not necessarily ensure compliance with the stopping distance requirement. The agency pointed out that PBBT-measured maximum braking force can not be used to compute corresponding stopping distance because maximum braking force is typically not sustained over the entire stop. In addition, the distance traveled during brake application and brake force buildup varies with vehicle type, being negligible for many light vehicles and greatest for combinations of commercial vehicles. However, the FMCSA asked for comments on whether the correlation between PBBT-measured braking forces and stopping distance requirements is close enough to use PBBTs to safely satisfy all three requirements, which are in § 393.52(a)(1), (a)(2), and (a)(3)—minimum $BF_{Total}$/GVW, minimum deceleration, and maximum stopping distance, respectively.

The following four commenters responded to this issue: Radlinski, ATA, ArvinMeritor, and Hunter. Radlinski stated that it is impossible to precisely relate maximum braking force to stopping distance without knowing brake application time. Similarly, ATA cited the impossibility of accurately relating stopping distance and braking force, because of brake application time and other variables. ArvinMeritor stated that PBBTs should only be implemented to evaluate braking force, and not stopping distance, until the trucking industry and enforcement authorities have gained more experience with their use. ArvinMeritor did not address any of the technical issues governing the relationship between stopping distance and maximum braking force. Hunter stated that stopping distance can be calculated as accurately as deceleration when brake force, friction, and weight are known, assuming balanced brakes and constant brake force. However, as referenced above, brake force may not be constant during a CMV stop. Moreover, it cannot be assumed that the vehicle brakes are balanced, due to variations in the condition of the brakes and road friction. Therefore, Hunter's assertion is not correct. In light of these comments, the FMCSA has decided to adopt the stopping distance requirements as set out in the NPRM.

*Post-Inspection PBBT Measurement*

Under the August 9, 2000 proposal, those CMVs which do not meet the specified PBBT-measured braking forces would be considered out of compliance with both the braking force and deceleration requirements of § 393.52(a)(1) and (a)(2). After fixing the problem, the motor carrier would certify the correction on the roadside inspection report and return it to the issuing agency, as outlined in § 396.9, Inspection of Motor Vehicles in Operation. This would be the same way that violations found under current inspection methods are handled. Under this approach, the FMCSA would not require a post-inspection PBBT measurement, as long as the involved motor carrier certifies correction of the deficiency consistent with § 396.9. However, the agency requested comments on whether a post-inspection PBBT measurement should be required and under what conditions.

The five commenters that addressed this issue, NADA, ATA, ArvinMeritor, Radlinski, and CVSA, did not believe

the agency should require a post-inspection PBBT measurement. NADA suggested that it should be optional, while ArvinMeritor stated that such a requirement would not be an effective use of PBBT resources. Both ATA and ArvinMeritor supported the FMCSA proposal, stating that this approach is consistent with current roadside inspection follow up requirements in § 396.9. Radlinski, however, stated that provision should be made to allow other methods for checking a repaired vehicle, such as inspection by a certified brake inspector. However, Radlinski provided no rationale to justify such a requirement. The agency notes that motor carriers are free to use whatever means they choose to verify post-inspection repairs on their vehicles. CVSA stated that generally, its member jurisdictions do not require post-inspections to determine whether defects have been corrected. It has established an international goal of verifying the repairs on 15 percent of out-of-service violations, and referred the FMCSA to its Operations Manual for guidance on this subject. However, the FMCSA proposal for not requiring a post-inspection PBBT measurement is in the context of an out-of-compliance violation, not an out-of-service violation. In light of these comments, the agency continues to believe that there should be no requirement for a post-inspection PBBT measurement, and today's final rule contains no such requirement.

In the NPRM of August 9, 2000, the FMCSA also indicated that if the proposal were adopted, it intends to work with its partners and customers to develop a list of likely brake system components or causes responsible for low PBBT measurements. The agency believes that such guidance would be helpful to motor carriers and enforcement officials in identifying and correcting inadequate braking conditions.

ATA, CVSA, and NADA expressed support for this initiative. ATA indicated that such a diagnostic tool is necessary to facilitate timely repairs, and offered to serve on a developmental task force. It also indicated that brake manufacturers should be involved because of new braking technologies. CVSA recommended that FMCSA consider providing federal funds to jurisdictions interested in purchasing PBBTs for developing guidance in identifying the inadequate braking conditions. NADA stated that PBBT manufacturers should be required to develop and make available diagnostic and repair strategies for CMVs that fail PBBT tests.

The FMCSA notes that it has no authority to require PBBT manufacturers or others to provide the diagnostic information necessary to assist commercial motor vehicle operators in identifying and correcting braking deficiencies that result in low PBBT measurements. However, the FMCSA plans to seek the voluntary involvement of a cross-section of its partners and customers to help in developing this information. Through ongoing research, the agency has identified issues that will need to be addressed. The agency anticipates that this preliminary work can serve as the basis for the remaining effort.

*Vehicle Applicability*

In its August 2000 notice, the FMCSA proposed that PBBT pass/fail criteria be applicable to all CMVs and CMV combinations, consistent with current brake performance requirements in § 393.52. The agency believed that because PBBTs have the capability to measure brake force on both light and heavy vehicles, their benefits should be made available to a wide range of CMVs. However, the agency requested comments on whether it is appropriate to provide such criteria for light CMVs (GVWR or GVW of 4,536 kg (10,000 pounds) or less), since they represent a relatively small portion of all CMVs, and are therefore, less likely to undergo roadside brake inspections than are heavy CMVs (GVWR or GVW greater than 4,536 kg (10,000 pounds)).

However, in a separate rulemaking published on January 11, 2001, the agency proposed making the safety regulations applicable to CMVs designed or used to transport between 9 and 15 passengers. These CMVs would typically be less than 10,000 pounds. Therefore, if the agency were to adopt PBBT rules applicable to vehicles less than 10,000 pounds, those requirements would cover small passenger-carrying vehicles, and light vehicles used to transport hazardous materials in a quantity requiring placards. As an alternative, the FMCSA stated that PBBT pass/fail criteria could be limited to heavy CMVs. Persons submitting comments were requested to provide supporting data.

The following six commenters provided limited information: Hunter, ATA, CVSA, ArvinMeritor, Radlinski, and HDBMC. Hunter, ATA, and CVSA support the proposal to provide PBBT pass/fail criteria for all CMVs. Hunter stated that there is no reason not to include the light vehicles in providing PBBT pass/fail criteria. ATA stated that PBBTs provide a better opportunity to inspect the brakes on light vehicles, since they are more enclosed and less accessible for visual inspection than the brakes on heavy CMVs. However, both ATA and CVSA believe that the States should have the option of using PBBTs on light vehicles, but not be required to do so. This is consistent with the agency's proposal, since the use of PBBTs would be an alternative method of determining compliance with the brake performance requirements of § 393.52. ArvinMeritor also supports the use of PBBTs on light vehicles, but recommended that FMCSA research the appropriateness of the pass/fail criteria. Likewise, Radlinski stated that further data is needed on the appropriateness of the criteria for light vehicles, and for that reason it does not support PBBT use on light vehicles at this time. HDBMC simply stated that it has no data on light vehicles. None of the six commenters provided any supporting data.

After further consideration, the FMCSA has decided not to include PBBT pass/fail criteria for light vehicles at the present time. In making this decision, the agency notes that ArvinMeritor and Radlinski provided no rationale for questioning the appropriateness of the pass/fail criteria for light vehicles. Nevertheless, the FMCSA recognizes that the CMV industry has minimal experience with the use of PBBTs on light vehicles. In addition, the agency's PBBT research did not include light vehicles. By providing pass/fail criteria for heavy vehicles only, today's final rule makes PBBT use possible on the vast majority of CMVs that undergo roadside inspection. Applying this final rule only to heavy vehicles will also provide the agency with an opportunity to further investigate the use of PBBTs on light vehicles. Therefore, today's final rule is applicable to those CMVs and CMV combinations that have a GVWR or GVW greater than 4,536 kg (10,000 pounds).

*Test Procedures and Training*

In its proposal of August 9, 2000, the FMCSA indicated that if the proposal were adopted, it anticipated working with partners and customers to develop PBBT standard test procedures and operator training. The agency believes these are necessary to minimize or eliminate any influence that a particular PBBT operator, vehicle configuration, or PBBT type might otherwise have on test results. State and local officials would use the test procedures and operator training to help ensure uniform PBBT test results across the enforcement community. For both the test procedures and training the FMCSA

requested comments on what specific issues need to be addressed, and with which partners and customers the agency should work. The FMCSA also requested comments on whether each State should take responsibility for training its enforcement officials on proper PBBT operation, after the training material is developed.

Eight commenters responded. They are ArvinMeritor, ATA, Bendix, CVSA, HDBMC, MCI, NADA, and Radlinski, all of which concurred with the need for standard PBBT test procedures, operator training, or both. Test procedure and training issues that commenters cited include brake lining temperature, wet weather limitations, vehicle weighing procedures, marginal brakes, interpretation of test results, bad test and allowance for retest, driver rights, test duration, test report format, and PBBT calibration and maintenance. ATA and Radlinski commented that a vehicle found to have an out-of-compliance PBBT measurement should be allowed the opportunity for a retest at the time of the inspection. ATA pointed out that this is similar to current procedures where a motor carrier can also inspect its vehicle at the time a violation is found. ArvinMeritor cited the need for precautionary warnings and procedures (1) to assure the safety of test personnel and vehicle operators, and (2) to minimize risk of damage to inter-axle differential (IAD) components on the test vehicle. The IAD, which may be locked or unlocked by the driver, serves to compensate for small differences in tire rolling radii between the fore and aft driving axles of a tandem axle. ArvinMeritor also stated that automatic traction control devices (ATC), which are incorporated as a feature of antilock brake systems, must be disabled when a single axle of a tandem axle vehicle is tested on a roller dynamometer PBBT. The function of the ATC is to provide traction when it senses that one wheel is slipping or spinning. If the ATC is not disabled, the vehicle will tend to drive off the rollers and thereby pose a safety hazard during the test. Likewise, the IAD on a tandem axle must be unlocked before testing to avoid (1) having the vehicle drive off the PBBT rollers, or (2) damage to IAD components. Other factors that may contribute to IAD damage are test duration, PBBT roller speed, and whether tandem axles are tested simultaneously or individually. Collectively, the commenters recommended that the FMCSA work with CVSA, ATA and its Technology Maintenance Council, HDBMC, PBBT manufacturers, brake manufacturers, and motor carriers to address these issues. Only one commenter, MCI, addressed the issue of which entity should take responsibility for PBBT operator training. MCI stated that the FMCSA should ensure through rulemaking that each state takes responsibility for training its enforcement officials on proper PBBT operation for the various vehicle configurations.

The FMCSA appreciates these comments. As with the vehicle repair information, the agency plans to engage a cross-section of its partners and customers to help develop PBBT standard test procedures and operator training. Through ongoing research the FMCSA has identified issues that will need to be addressed. The agency anticipates that this preliminary work can serve as a starting point for the remaining effort. With regard to the MCI comment on training, the FMCSA has no authority to require states to take responsibility for PBBT operator training. However, the agency anticipates that as the training materials are developed, an appropriate level of federal and state responsibility will be reached.

*Effective Date*

In the NPRM of August 9, 2000, the FMCSA proposed that use of PBBTs for enforcement become effective 30 days after issuance of a final rule. The agency stated that a longer time period would not be necessary, since PBBT use would be optional. Having the pass/fail criteria become effective soon after issuance of a final rule would permit States that have PBBTs to begin using them to inspect CMVs, and provide incentive for other States and localities to acquire the new technology and realize its benefits. However, the agency requested comments on whether a longer time period is warranted, and if so, what it should be.

The following six commenters provided information on the proposed effective date: ATA, ArvinMeritor, CVSA, MCI, NADA, and Radlinski. Radlinski supports the 30-day requirement, since the use of PBBTs for enforcement is not mandatory. ATA also supports the 30-day time period, but with the caveat that those jurisdictions first using PBBTs have time to establish standard test procedures and operator training. ArvinMeritor recommended a 90-day time period to provide industry time to respond to the issues raised by commenters. However, ArvinMeritor added that the effective date should also reflect adequate time for the FMCSA to finalize or resolve PBBT standard test procedures, operator training, and other issues necessary for successful implementation. CVSA, MCI, and NADA did not recommend a specific time period, but did stress the importance of adequately addressing such issues prior to PBBT implementation. CVSA stated that, in light of the new PBBT pass/fail criteria, time is also needed to modify the CVSA North American Uniform Out-of-Service Criteria, and software used by field inspection personnel.

After considering this information, the FMCSA has decided to make the PBBT pass/fail criteria effective 180 days after publication of this final rule. Although use of PBBTs for enforcement is optional, the agency notes that five of the six commenters emphasized the need for having in place standard test procedures, operator training, and vehicle repair guidelines prior to PBBT implementation. The FMCSA agrees that these issues must be adequately addressed to ensure confidence in PBBT test results among those States and localities using them. Lack of confidence would detrimentally affect PBBT implementation. Only two commenters cited specific timeframes, 30 and 90 days. The agency believes that neither of these would be adequate in light of the full range of issues raised by commenters, including those by ArvinMeritor on ATC and IAD. The FMCSA plans to engage a cross-section of its partners and customers to help develop the necessary PBBT test procedures, operator training, and vehicle repair guidelines. The agency believes that partner and customer participation, coupled with the agency's preliminary research, will allow the issues to be adequately addressed within 180 days of issuance of the final rule.

*Braking Stability, Emergency Brake, and Parking Brake*

In the NPRM of August 9, 2000, the FMCSA did not propose PBBT pass/fail criteria for determining CMV braking stability, emergency brake, or parking brake performance. However, the agency did request comments in each of these areas.

Braking stability performance, specified in § 393.52(c), requires the vehicle to remain within a 3.7 meter (12 foot) wide lane during a 32.2 km/hr (20 mph) stop. The FMCSA stated in the NPRM that PBBTs could be used to determine braking stability by comparing PBBT-measured braking forces from one side of the vehicle to the other for a given axle. When the difference between those braking forces exceeds a certain value, vehicles would be deemed out of compliance. The

agency stated that it might propose such PBBT pass/fail criteria in the future, but requested comments on the feasibility of such an approach. It also asked whether the criteria should be confined to steering axles only, since steering capability is critical to controlling the yaw motion of a vehicle. Yaw motion is vehicle rotation about its vertical axis.

The six commenters that responded do not support PBBT pass/fail criteria for determining CMV braking stability. They are ATA, ArvinMeritor, CVSA, HDBMC, Radlinski, and TMA. ATA stated that based on a 1986 National Highway Traffic Safety Administration (NHTSA) study, (''A Demonstration of the Safety Benefits of Front Brakes on Heavy Trucks,'' December 1986, DOT HS 807 061) brake force imbalance across a heavy truck steer axle must be relatively high to impede steering capability. Further, all new trucks have power steering, according to ATA, and this helps drivers manage any steering pull due to side-to-side brake imbalance. For other axles, ATA, ArvinMeritor, and HDBMC cited the requirement for antilock brake systems (ABS) on CMVs, which mitigate any control loss due to brake imbalance. ArvinMeritor added that the number of non-ABS equipped vehicles would diminish over time through attrition. In addition, ArvinMeritor and HDBMC stated that side-to-side brake forces measured at the inherently slow PBBT test speeds may not indicate true performance at higher vehicle speeds, although neither commenter provided supporting data. ATA, CVSA, Radlinski, and TMA support further research. CVSA cited the lack of information on how much side-to-side brake imbalance should be allowed. Radlinski stated that further research is needed to support the safety need for such a requirement.

The FMCSA agrees with commenters on the need for further research on how much side-to-side brake force imbalance should be allowed, as well as PBBT capabilities. Safety need must also be assessed in light of the requirement for ABS on new vehicles. The agency is currently conducting research in this area, and will assess whether to move forward with such a proposal once this work is completed.

In the case of emergency brake system performance, requirements are specified in § 393.52(b). If there is leakage of the medium that actuates the brakes, i.e., air, fluid, or vacuum, the emergency brake system must still be able to stop the vehicle within a specified distance. In not proposing PBBT pass/fail criteria for the emergency brake system, the FMCSA stated that it would not be practical for enforcement at roadside inspection facilities. This is because an air, fluid, or vacuum leak would have to be created to simulate a single failure in the service brake system. The agency believed that this approach would not be appropriate or practical in light of the time involved and necessary modifications to an otherwise normally functioning brake system. However, the FMCSA requested comments on whether it should explore ways to test the emergency brake system in conjunction with PBBTs.

The seven commenters that responded, ATA, ArvinMeritor, CVSA, HDBMC, Bendix, Radlinski, and TMA, all concurred with the agency's rationale and decision to not propose PBBT pass/fail criteria for the emergency brake system.

In the case of parking brakes, the requirements are specified in § 393.41 of the FMCSRs. It specifies that most CMVs, manufactured on or after March 7, 1990, must be equipped with a parking brake system that can hold the vehicle or vehicle combination under any loading condition, as required by Federal Motor Vehicle Safety Standard (FMVSS) No. 121, Air Brake Systems. FMVSS No. 121 requires each new vehicle to meet a static drawbar pull test, or grade-holding test, at the option of the vehicle manufacturer. In the case of the grade holding test, the vehicle must remain stationary on a 20 percent grade with all parking brakes applied. Although the FMCSA did not propose PBBT criteria for parking brakes, it stated that it was considering one approach that it may propose in the future. That approach would require a PBBT measured braking force for the parking brake system to be at least equal to that which is necessary for the vehicle to remain stationary on a 20 percent grade. The agency asked whether it should propose such criteria for the parking brake system, and whether it would be appropriate to require a parking brake force equivalent to that required of a new vehicle.

The seven commenters that responded, ATA, ArvinMeritor, CVSA, HDBMC, Bendix, Radlinski, and TMA, do not support PBBT requirements for the parking brake system. ATA indicated that using PBBTs to test CMV parking brakes would not be an efficient use of time at roadside inspection facilities. It stated that unlike the service brake system, the parking brake does not present an imminent hazard. ATA and CVSA both indicated that focusing PBBT resources on service brakes would be a better use of time. HDBMC, Bendix, and Radlinski questioned the stringency of such a requirement. HDBMC stated that the grade-holding requirement of 20 percent for new vehicles was not intended as an in-use requirement. It commented that most vehicles are parked on grades of six percent or less. Radlinski recommended a 12 percent grade-holding requirement rather than 20 percent. It stated that used vehicles should be allowed some drop in performance. ArvinMeritor, Bendix, and TMA indicated that the agency should collect more research data on this issue before proceeding.

FMCSA agrees that research would be needed before it proceeds with any proposal for parking brake PBBT pass/fail criteria. If the agency were to look further at tying any required parking brake force to grade-holding capability, it would first have to decide whether the 20 percent requirement for new vehicles is appropriate, given the wear that CMV components and linkages experience through normal usage. The safety need for such a requirement would also have to be explored. The FMCSA has concluded that for the near future it is more appropriate to focus PBBT resources on CMV service brakes. After increased deployment of this new technology, the agency can further explore other potential applications.

## Rulemaking Analyses and Notices

### *Executive Order 12866 (Regulatory Planning and Review) and DOT Regulatory Policies and Procedures*

The FMCSA has determined that this action is not a significant regulatory action within the meaning of Executive Order 12866, or significant within the meaning of Department of Transportation regulatory policies and procedures. This rule establishes PBBT pass/fail criteria for use in determining the braking performance of CMVs. The rule does not require motor carriers to purchase PBBTs, or to use the technology. The rule allows the use of the technology to improve the ability of motor carriers and enforcement personnel to assess the braking capability of CMVs. State and local enforcement officials can now issue vehicle citations based on PBBT test results. Without these enforcement criteria, PBBTs would continue to be used only for screening of CMVs at roadside inspection facilities. States and localities that choose to use PBBTs for enforcement purposes will have to purchase the devices. This action does not mandate such expenditures, however, since this final rule is an optional method for determining compliance with the braking regulations. Further, the FMCSA anticipates that MCSAP funding will continue to be available to States for

purchasing PBBTs. Since this final rule does not require the purchase or use of PBBTs, or establish new brake performance standards that would necessitate changes in CMV design or maintenance, FMCSA has determined that it is not necessary to prepare a cost-benefit analysis.

*Regulatory Flexibility Act*

In compliance with the Regulatory Flexibility Act (5 U.S.C. 601–612), we have evaluated the effects of this rule on small entities. The final rule establishes PBBT pass/fail criteria for use in determining the braking performance of CMVs. However, it does not impose any new requirements beyond those of the existing rule, 49 CFR 393.52. It simply allows States and motor carriers to use PBBTs to determine compliance with certain provisions of 49 CFR 393.52. Actual performance criteria remain the same. Motor carriers are not required to purchase or use PBBTs. Accordingly, the FMCSA certifies that this action does not have a significant economic impact on a substantial number of small entities.

*Executive Order 13132 (Federalism)*

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 13132, dated August 4, 1999, and it has been determined that this final rule does not have a substantial direct effect on, or sufficient federalism implications for, States. The rule does not limit the policymaking discretion of States, nor does it preempt any State law or regulation. States that choose to use PBBTs will have to buy them, but such equipment would be an eligible expense under MCSAP.

*Executive Order 12372 (Intergovernmental Review)*

Catalog of Federal Domestic Assistance Program Number 20.217, Motor Carrier Safety. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities do not apply to this program.

*Unfunded Mandates Reform Act of 1995*

This rule does not impose an unfunded Federal mandate, as defined by the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1532 *et seq.*), which will result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more in any one year.

*Paperwork Reduction Act*

The FMCSA has determined that this final rule is exempt from the requirements of the Paperwork Reduction Act of 1995 [44 U.S.C. 3501 *et seq.*]. There is a certification requirement that is imposed on six PBBT manufacturers, as discussed in the final functional specifications notice published in the **Federal Register** on August 9, 2000 (65 FR 48799). However, OMB clearance is not required because there are less than 10 public entities affected by this certification requirement. *See* 5 CFR 1320.3 (c). In addition, there is no new paperwork requirement on the part of the States, because they are only required to complete the same paperwork they currently prepare, when requesting funds for the purchase of PBBTs from the FMCSA. Accordingly, the agency has determined that the certification requirement does not constitute a collection of information covered by the Paperwork Reduction Act.

*National Environmental Policy Act*

The Federal Motor Carrier Safety Administration (FMCSA) is a new administration within the Department of Transportation (DOT). We are striving to meet all of the statutory and executive branch requirements on rulemaking. The FMCSA is currently developing an agency order that will comply with all statutory and regulatory policies under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). We expect the draft FMCSA Order to appear in the **Federal Register** for public comment in the near future. The framework of the FMCSA Order is consistent with and reflects the procedures for considering environmental impacts under DOT Order 5610.1C. The FMCSA analyzed this proposal under the NEPA and DOT Order 5610.1C. Since the proposal is intended to put into place a means of measuring brake performance at roadside, but has no effect on brake standards, we believe it would be among the type of regulations that would be categorically excluded from any environmental assessment.

*Executive Order 12988 (Civil Justice Reform)*

This action meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

*Executive Order 13045 (Protection of Children)*

We have analyzed this action under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not concern an environmental risk to health or safety that may disproportionately affect children.

*Executive Order 12630 (Taking of Private Property)*

This rule will not effect a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

*Executive Order 13211 (Energy Effects)*

We have analyzed this action under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, or Use. We have determined that it is not a ''significant energy action'' under that order because it is not economically significant and is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

**List of Subjects in 49 CFR Part 393**

Motor carriers, Motor vehicle equipment.

In consideration of the foregoing, the FMCSA amends title 49, Code of Federal Regulations, chapter III, as follows:

## PART 393—[AMENDED]

1. Revise the authority citation for part 393 to read as follows:

**Authority:** 49 U.S.C. 322, 31136, and 31502; Section 1041(b) of Pub. L. 102–240, 105 Stat. 1914, 1993 (1991); and 49 CFR 1.73.

2. Amend § 393.52 by revising paragraph (a)(3), by adding paragraph (a)(4), and by revising paragraph (d) to read as follows:

### § 393.52 Brake performance.

(a) * * *

(3) Stopping from 20 miles per hour in a distance, measured from the point at which movement of the service brake pedal or control begins, that is not greater than the distance specified in the table in paragraph (d) of this section; or, for motor vehicles or motor vehicle combinations that have a GVWR or GVW greater than 4,536 kg (10,000 pounds),

(4) Developing only the braking force specified in paragraph (a)(1) of this section and the stopping distance specified in paragraph (a)(3) of this section, if braking force is measured by a performance-based brake tester which meets the requirements of functional specifications for performance-based brake testers for commercial motor vehicles, where braking force is the sum of the braking force at each wheel of the

vehicle or vehicle combination as a percentage of gross vehicle or combination weight.

* * * * *

(d) Vehicle brake performance table:

| Type of motor vehicle | Service brake systems | | | Emergency brake systems |
|---|---|---|---|---|
| | Braking force as a percentage of gross vehicle or combination weight | Deceleration in feet per second per second | Application and braking distance in feet from initial speed at 20 mph | Application and braking distance in feet from initial speed of 20 mph |
| A. Passenger-carrying vehicles: | | | | |
| (1) Vehicles with a seating capacity of 10 persons or less, including driver, and built on a passenger car chassis | 65.2 | 21 | 20 | 54 |
| (2) Vehicles with a seating capacity of more than 10 persons, including driver, and built on a passenger car chassis; vehicles built on a truck or bus chassis and having a manufacturer's GVWR of 10,000 pounds or less | 52.8 | 17 | 25 | 66 |
| (3) All other passenger-carrying vehicles | 43.5 | 14 | 35 | 85 |
| B. Property-carrying vehicles: | | | | |
| (1) Single unit vehicles having a manufacturer's GVWR of 10,000 pounds or less | 52.8 | 17 | 25 | 66 |
| (2) Single unit vehicles having a manufacturer's GVWR of more than 10,000 pounds, except truck tractors. Combinations of a 2-axle towing vehicle and trailer having a GVWR of 3,000 pounds or less. All combinations of 2 or less vehicles in drive-away or tow-away operation | 53.5 | 14 | 35 | 85 |
| (3) All other property-carrying vehicles and combinations of property-carrying vehicles | 43.5 | 14 | 40 | 90 |

Notes: (a) There is a definite mathematical relationship between the figures in columns 2 and 3. If the decelerations set forth in column 3 are divided by 32.2 feet per-second per-second, the figures in column 2 will be obtained. (For example, 21 divided by 32.2 equals 65.2 percent.) Column 2 is included in the tabulation because certain brake testing devices utilize this factor.

(b) The decelerations specified in column 3 are an indication of the effectiveness of the basic brakes, and as measured in practical brake testing are the maximum decelerations attained at some time during the stop. These decelerations as measured in brake tests cannot be used to compute the values in column 4 because the deceleration is not sustained at the same rate over the entire period of the stop. The deceleration increases from zero to a maximum during a period of brake system application and brake-force buildup. Also, other factors may cause the deceleration to decrease after reaching a maximum. The added distance that results because maximum deceleration is not sustained is included in the figures in column 4 but is not indicated by the usual brake-testing devices for checking deceleration.

(c) The distances in column 4 and the decelerations in column 3 are not directly related. ''Brake-system application and braking distance in feet'' (column 4) is a definite measure of the overall effectiveness of the braking system, being the distance traveled between the point at which the driver starts to move the braking controls and the point at which the vehicle comes to rest. It includes distance traveled while the brakes are being applied and distance traveled while the brakes are retarding the vehicle.

(d) The distance traveled during the period of brake-system application and brake-force buildup varies with vehicle type, being negligible for many passenger cars and greatest for combinations of commercial vehicles. This fact accounts for the variation from 20 to 40 feet in the values in column 4 for the various classes of vehicles.

(e) The terms ''GVWR'' and ''GVW'' refer to the manufacturer's gross vehicle weight rating and the actual gross vehicle weight, respectively.

Issued on: August 2, 2002.

**Joseph M. Clapp,**

*Administrator.*

[FR Doc. 02–20248 Filed 8–8–02; 8:45 am]

**BILLING CODE 4910–EX–P**

# Proposed Rules

Federal Register
Vol. 67, No. 154
Friday, August 9, 2002

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Food and Nutrition Service

### 7 CFR Part 245

**RIN:0584—AD20**

## Determining Eligibility for Free and Reduced Price Meals and Free Milk in Schools—Verification Reporting and Recordkeeping Requirements

**AGENCY:** Food and Nutrition Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** This rule proposes to amend the reporting and recordkeeping requirements under the National School Lunch Program (NSLP), School Breakfast Program (SBP), and Special Milk Program (SMP) relating to the verification of free and reduced price meal applications. Schools would report verification activities and results to State agencies, who would consolidate and report it to the Food and Nutrition Service (FNS) and take action as they deem appropriate. Over the years, administering State agencies have conducted comprehensive on-site evaluations of school food authorities participating in the NSLP.

The findings indicate that school food authorities generally have been determining free and reduced price eligibility in accordance with the regulatory requirements. However, in spite of their efforts, data indicate that the number of children certified as eligible to receive free meals exceeds the number of children who should be eligible to receive those meals, given other poverty indicators. This rule would require school food authorities to report verification activity and results to their respective State agencies and require State agencies to analyze and act on these data and to report school food authority level data to the FNS. Recordkeeping requirements would be revised consistent with the reporting requirements. Submission of these data on a school food authority basis will enable State agencies and FNS to improve and target oversight activities.

**DATES:** To be assured of consideration, comments must be postmarked on or before October 8, 2002.

**ADDRESSES:** Address all comments concerning this proposed rule to Robert M. Eadie, Chief, Policy and Program Development Branch, Child Nutrition Division, Food and Nutrition Service, USDA, 3101 Park Center Drive, Alexandria, VA 22302. You also may submit comments electronically at *cndproposal@fns.usda.gov.* All written submissions received will be available for public inspection in Room 640 at the address listed above, during regular business hours (8:30 am to 5:00 pm) Monday through Friday.

**FOR FURTHER INFORMATION CONTACT:** Robert M. Eadie at the above address or by telephone at 703–305–2590.

**SUPPLEMENTARY INFORMATION:**

### Background

*I. The Application Process*

Under the NSLP, each school year school food authorities distribute applications for free and reduced price meal benefits to households of enrolled children. Households who want to receive free and reduced price meal benefits for their children complete the information required on the application and return the application to the school food authority.

School food authorities must approve or deny applications based on the information presented on the application. If an application contains the required information and the information establishes the child's eligibility for free or reduced price meal benefits, the school food authority must approve the application. However, if the determining official believes or suspects the information is questionable, the determining official has an obligation to ask the household to submit additional information and revise the determination based on their findings.

Since 1991, school food authorities have also had the option to certify children for free meal benefits without the use of applications if these children are members of food stamp, Temporary Assistance for Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR) households. This procedure is known as ''direct certification.'' A school food authority may communicate with a State or local agency to obtain documentation that establishes which of its enrolled students are members of food stamp/TANF/FDPIR households, and may certify the identified children for free meal benefits on the basis of this documentation.

Note that the free and reduced price eligibility criteria for the SBP are the same as for the NSLP. In fact, the same application is used when a school participates in both the NSLP and SBP. The free eligibility criteria and determination process used in the SMP parallels that of the NSLP and the SBP.

*II. The Verification Process*

School food authorities must verify the eligibility information on a sample of the free and reduced price meal applications approved in any given school year as specified in 7 CFR 245.6a. The eligibility of students that were directly certified for free meal benefits and applications for free milk under the SMP is not subject to the verification requirements. Generally, school food authorities verify a randomly selected sample (minimum of 3%) of the applications that have been approved for free and reduced price meal benefits.

Alternatively, a school food authority may verify a focused sample of 1% of the total number of all approved applications in the school food authority, selected from those with income within $100 of the monthly income eligibility guidelines ($1200 annually), as well as selecting ½% of the total number of applications approved based on categorical eligibility through participation in the Food Stamp Program, TANF or FDPIR.

*III. Current Verification Recordkeeping Requirements*

As mentioned above, each school food authority must select and verify a sample of applications approved for free and reduced price benefits each school year, unless the State agency assumes responsibility for verification or the school food authority is otherwise exempt from the verification requirement. School food authorities may do either random or focused sampling, or they may choose to verify all of the applications received. While school food authorities are not currently required to report information related to the verification process to the State

agency or to the FNS, school food authorities are required to maintain a description of their verification efforts. The description must include: (1) A summary of the verification efforts including the selection process (*i.e.* random, focused, or all); (2) the total number of applications on file on October 31; and (3) the percentage or number of applications that are or will be verified by December 15. In addition, verified applications must be readily retrievable by school. For each application verified, the school food authority must keep records of the source of information used to verify the application such as the food stamp office, wage stubs, or collateral contacts. Existing verification recordkeeping requirements are found at 7 CFR 245.6a(c).

*IV. Need To Report the Verification Information*

Over the years, the administering State agencies have conducted comprehensive on-site evaluations of school food authorities participating in the NSLP. The findings indicate that school food authorities generally have been determining free and reduced price eligibility in accordance with the regulatory requirements and completing verification. In spite of their efforts, the number of children approved for free meal benefits appears to exceed the number of children who are eligible to receive those meals.

Several data sources, including the eligibility verifications performed by school districts, indicate that a significant and increasing number of ineligible children are being certified for free and reduced price meal benefits. Recent comparisons of NSLP data with data from the U.S. Bureau of the Census, Current Population Survey (CPS) indicate that the number of children determined eligible for free meal benefits in the NSLP exceeds the number of children that the CPS indicates are potentially eligible. In 1999, the percentage of children determined eligible for free school meals was estimated to be 127 percent of the CPS estimate of school-aged children at or below 130 percent of the poverty guidelines, the income level required for free participation by section 9(b) of the Richard B. Russell National School Lunch Act, 42 USC 1758(b).

This data comparison is further supported by audit survey work by the U.S. Department of Agriculture's (USDA) Office of Inspector General (OIG). The OIG determined that in one State nearly 20% of the approved free or reduced price meal applications selected for verification resulted in a loss of those benefits because the households did not respond or the households' responses disclosed that the original classifications were in error (Food and Nutrition Service National School Lunch Program Verification of Applications in Illinois: Audit Report No. 27010–0011–Ch).

The Department is concerned that if large numbers of ineligible children are receiving benefits to which they are not entitled, Federal meal reimbursement payments are improperly paid. Certification error also has a significant impact on the targeting of Federal and State education-related benefits. The amount of school lunch program funds allocated nationwide on the basis of the free and reduced price certifications was just under $5 billion for school year 2001–2002; more than triple this amount in education-related benefits was allocated using the data.

FNS has taken several actions to address the issues associated with certification. On January 21, 2000, FNS published a notice in the **Federal Register** (65 FR 3409) soliciting pilot projects to test alternate application, approval and verification procedures for free and reduced price eligibility determinations. Twenty-one school food authorities and one State are currently operating pilot projects. These pilot sites are conducting alternative certification or verification processes for 3 consecutive school years, beginning in school year 2000–2001. Preliminary data has shown the alternative methods have, to varying degrees, deterred and detected misreporting of eligibility information. FNS is conducting an in-depth analysis of the administrative data presented by pilot school food authorities. While the information derived from the pilots is not nationally representative, pilot activities have provided FNS with insight on the efficacy of the existing application and verification process and on alternatives to that process. This rule is intended to complement pilot activities by collecting information on verification activity nationwide and will enable FNS to evaluate the pilot results in the context of State and nationwide data.

Secondly, FNS is taking steps to increase the emphasis by FNS regional offices and State agencies on certification and verification procedures at the local level. Reporting of verification results is integral to this effort. FNS, State agencies, and school food authorities need to have a clear understanding of the magnitude and characteristics of the certification problem in order to provide effective oversight and target corrective action. FNS intends that this data collection will result in improvement of our understanding of the operations of the eligibility determination and verification process in the targeting of monitoring and technical assistance efforts and resources on areas or households with the likelihood of problems.

*V. What Are the Provisions of This Proposal?*

FNS is proposing to amend 7 CFR 245.6a(c) to require school food authorities to report verification activity and results to their respective State agency in support of State agency and FNS oversight activities. Specifically, proposed § 245.6a(c) would require that, by March 1 of each year, school food authorities must report verification information to the State agency on a form designated by FNS. The information to be reported will address, but not be limited to, the characteristics of the verification sample and the results of verification activity. Examples of information to be collected would include: the number of children approved for free and reduced price meal benefits based on direct certification, income applications, and categorically eligible applications; the method of verification sample selection; the number of applications selected for verification; the number of students on selected applications; the number of students approved for free meal benefits and reduced price meal benefits whose eligibility for benefits were reduced or terminated as the result of verification; the number of non-respondents; and the number of students reinstated for free or reduced price meal benefits, as of February 15 of each year.

In addition, proposed § 245.6a(c) would require school food authorities to retain copies of the information reported and all supporting documents. The proposed rule also restates the existing requirements that verified applications must be readily retrievable by school and that school food authorities must retain all documents submitted by the household to confirm eligibility, reproductions of those documents, or annotations made by the determining official which indicate which documents were submitted by the household and the date of submission. The existing requirement that relevant correspondences between the households selected for verification and the school food authority/school must be retained is also restated.

FNS is also proposing to add § 245.11(i) to require each State agency to collect the annual verification data from each school food authority, in accordance with guidance provided by

FNS. To facilitate the reporting of these data, FNS will provide a data collection instrument in electronic format. In addition, each State agency must analyze these data, determine if there are potential problems, and formulate corrective actions and technical assistance activities that will support the objective of certifying only those children eligible for free or reduced price meals. The availability of this information at the State level will permit State agencies to target more rigorous oversight activities on school food authorities whose verification activities result in a high termination rate.

The proposal would require the State agency to report to FNS, not later than April 15 of each year, each school food authority's verification information, submitted in accordance with § 245.6a(c), and any ameliorative actions the State agency has taken or intends to take in school food authorities with high levels of applications changed due to verification. FNS intends to provide for the electronic submission of these data.

Additionally, this proposed rule would include in 7 CFR part 245 the term FNS which means ''the Food and Nutrition Service of the Department of Agriculture''. This definition was inadvertently not included in this Part in earlier editions and FNS is proposing at this time to add the definition at 7 CFR 245.2(b–2) for the sake of clarity and completeness.

*VI. Procedural Matters*

Executive Order 12866

This proposed rule has been determined to be non-significant and is not subject to review by the Office of Management and Budget under Executive Order 12866.

**Public Law 104–4**

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104–4, establishes a requirement for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, FNS generally prepares a written statement, including a cost-benefit analysis. This is done for proposed and final rules that have ''Federal mandates'' which may result in expenditures of $100 million or more in any one year by State, local, or tribal governments, in the aggregate, or by the private sector. When this statement is needed for a rule, section 205 of the UMRA generally requires FNS to identify and consider a reasonable number of regulatory alternatives. It must then adopt the least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule.

This proposed rule contains no Federal mandates of $100 million or more in any one year (under regulatory provisions of Title II of the UMRA) for State, local, and tribal governments or the private sector. Thus, this proposed rule is not subject to the requirements of sections 202 and 205 of the UMRA.

Regulatory Flexibility Act

This proposed rule has been reviewed with regard to the requirements of the Regulatory Flexibility Act (5 U.S.C. 601–612). Eric M. Bost, Under Secretary for Food, Nutrition and Consumer Service, has certified that this rule will not have a significant economic impact on a substantial number of small entities. By requiring the reporting of verification information, this rule would result in critical information being gathered and enable State agencies and FNS to take measures that would increase the level of accountability of those programs. FNS does not anticipate any adverse fiscal impact resulting from implementation of this rulemaking. Although there may be some burdens associated with this rule, the burdens would not be significant and would be outweighed by the benefits to programs reporting the information to the State agency and FNS.

Executive Order 12372

The National School Lunch Program and School Breakfast Program are listed in the Catalog of Federal Domestic Assistance under No. 10.555 and 10.556. These programs are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials (7 CFR part 3015, subpart V, and final rule related notice at 48 FR 29115, June 24, 1983).

Executive Order 12988

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. It is intended to have preemptive effect with respect to any State or local laws, regulations or policies which conflict with its provisions or which would impede its full implementation. This rule is not intended to have retroactive effect unless that is specified in the Effective Date section of the preamble of the final rule. Before any judicial challenge to the provisions of this rule or the application of its provisions, all administrative procedures that apply must be followed. The only administrative appeal procedures relevant to this proposed rule are the hearings that FNS must provide for decisions relating to eligibility for free and reduced price meals and free milk (7 CFR 245.7 for the NSLP, SBP, and SMP in schools).

**Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3507, this notice invites the general public and other public agencies to comment on the proposed information collection.

Written comments must be received on or before October 8, 2002.

Comments concerning the information collection aspects of this proposed rule should be sent to Lauren Whittenberg, Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, DC. 20503. A copy of these comments may also be sent to Mr. Eadie at the address listed in the **ADDRESSES** section of this preamble. Commenters are asked to separate their information collection requirements comments from their comments on the remainder of this proposed rule.

OMB is required to make a decision concerning the collection of information contained in this proposed regulation between 30 and 60 days after the publication of this document in the **Federal Register**. Therefore, a comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication. This does not affect the deadline for the public to comment to the Department on the proposed regulation.

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information has practical utility; (b) the accuracy of the agency's estimate of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

The title, description, and respondent description of the information collections are shown below with an estimate of the annual recordkeeping burdens. Included in the estimate is the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

*Title:* 7 CFR part 245 Determining Eligibility for Free and Reduced Price Meals and Free Milk in Schools.

*OMB Number:* 0584–0026.

*Expiration Date:* August 31, 2004.

*Type of Request:* Revision of currently approved collection of data related to the free and reduced price meal application in the NSLP, SBP and SMP.

*Abstract:* Under this proposal, school food authorities would report verification data to the State agency and State agencies would evaluate and submit this information to FNS.

ESTIMATED ANNUAL REPORTING BURDEN

| | Section | Annual number of respondents | Annual frequency | Average burden per response hours | Annual burden hours |
|---|---|---|---|---|---|
| **School food authorities report verification information to State agency** | | | | | |
| Existing | | 0 | 0 | 0 | 0 |
| Proposed | 245.6a(c) | 16,342 | 1 | 1 | 16,342 |
| Total Reporting Burden: | | | | | |
| Total Existing | 0 | | | | |
| Total Proposed | 16,342 | | | | |
| Change | +16,342 | | | | |
| **State agencies report district level data to FNS** | | | | | |
| Existing | | 0 | 0 | 0 | |
| Proposed | 245.11(i) | 54 | 1 | 8 | 432 |
| Total Reporting Burden: | | | | | |
| Total Existing | 0 | | | | |
| Total Proposed | 432 | | | | |
| Change | +432 | | | | |

ESTIMATED ANNUAL RECORDKEEPING BURDEN

| | Section | Annual number of respondents | Annual frequency | Average burden per response | Annual burden hours |
|---|---|---|---|---|---|
| **School food authorities maintain summary of verification efforts** | | | | | |
| Existing | 245.6a(c) | 16,342 | 1 | .75 | 12,256 |
| Proposed | 245.6a(c) | 16,342 | 1 | .85 | 13,891 |
| Total Recordkeeping Burden: | | | | | |
| Total Existing | 12,256 | | | | |
| Total Proposed | 13,891 | | | | |
| Change | +1,635 | | | | |
| **State agencies retain district level data** | | | | | |
| Existing | -- | 0 | 0 | 0 | 0 |
| Proposed | 245.11(i) | 54 | 1 | 1 | 54 |
| Total Recordkeeping Burden: | | | | | |
| Total Existing | 0 | | | | |
| Total Proposed | 54 | | | | |
| Change | +54 | | | | |

**List of Subjects in 7 CFR Part 245**

Civil rights, Food assistance programs, Grant programs-education, Grant programs-health, Infants and children, Milk, Reporting and recordkeeping requirements, School breakfast and lunch programs.

Accordingly, 7 CFR part 245 is proposed to be amended as follows:

## PART 245—DETERMINING ELIGIBILITY FOR FREE AND REDUCED PRICE MEALS AND FREE MILK IN SCHOOLS

1. The authority citation for part 245 continues to read as follows:

**Authority:** 42 U.S.C. 1752, 1758, 1759a, 1772, 1773, and 1779.

2. In § 245.2:

a. Redesignate paragraph (c) as paragraph (b–3);

b. Redesignate paragraph (b–2) as paragraph (c) and

c. Add a new paragraph (b–2) to read as follows:

**§ 245.2 Definitions.**

* * * * *

(b–2) *FNS* means the Food and Nutrition Service, United States Department of Agriculture.

* * * * *

3. In § 245.6a, revise paragraph (c) to read as follows:

**§ 245.6a Verification requirements.**

* * * * *

(c) *Verification reporting and recordkeeping requirements.* Each year by March 1, each school food authority must report to the State agency information related to its verification activity on a form designated by FNS. School food authorities shall retain copies of the information reported under this section and all supporting documents. All verified applications must be readily retrievable by school and include all documents submitted by the household for the purpose of

confirming eligibility, reproductions of those documents, or annotations made by the determining official which indicate which documents were submitted by the household and the date of submission. All relevant correspondences between the households selected for verification and the school food authority/school must be retained.

* * * * *

4. In § 245.11, add a new paragraph (i) to read as follows:

**§ 245.11 Action by State agencies and FNSROs.**

* * * * *

(i) No later than March 1 of each year, each State agency must collect annual verification data from each school food authority as described in § 245.6a(c) and in accordance with guidelines provided by FNS. Each State agency must analyze these data, determine if there are potential problems, and formulate corrective actions and technical assistance activities that will support the objective of certifying only those children eligible for free or reduced price meals. No later than April 15 of each year, each State agency must report to FNS the verification information which has been reported to it as required under § 245.6a(c), by school food authority, and any ameliorative actions the State agency has taken or intends to take in school food authorities with high levels of applications changed due to verification.

Dated: August 5, 2002.

**Roberto S. Salazar,**

*Administrator, Food and Nutrition Service.*

[FR Doc. 02–20163 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–30–P

## NUCLEAR REGULATORY COMMISSION

## 10 CFR Part 50

**[Docket No. PRM–50–76]**

## Robert H. Leyse; Petition for Rulemaking

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Petition for rulemaking; notice of receipt.

**SUMMARY:** The Commission is publishing for comment a petition for rulemaking filed by Robert H. Leyse on May 1, 2002. The NRC assigned the petition Docket No. PRM–50–76 on May 8, 2002. The petition requests amendment to NRC's regulations concerning evaluation models for Emergency Core Cooling Systems (ECCS) and associated guidance documents. The petitioner believes the amendments are necessary to correct technical deficiencies that do not consider the complex thermal hydraulic conditions during a Loss-of-Coolant-Accident (LOCA), including the potential for very high fluid temperatures.

**DATES:** Submit comments by October 23, 2002. Comments received after this date will be considered if it is practical to do so, but the Commission is able to assure consideration only for comments received on or before this date.

**ADDRESSES:** Mail comments to: Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–00001, Attention: Rulemaking and Adjudications Staff.

Deliver comments to: 11555 Rockville Pike, Rockville, Maryland, between 7:30 a.m. and 4:15 p.m. on Federal workdays.

For a copy of the petition, write to Michael T. Lesar, Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC, 20555–0001.

You may also provide comments via the NRC's interactive Rulemaking website at *http://ruleforum.llnl.gov.* This site allows you to upload comments as files in any format, if your web browser supports the function. For information about the interactive Rulemaking website, contact Ms Carol Gallagher, (301) 415–5905 (*email:cag@nrc.gov*).

Documents related to this petition, including comments received, may be examined, and/or copied for a fee, at the NRC's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the ADAMS Public Library component on the NRC Web site (the Electronic Reading Room), *http://www.nrc.gov.* If you do not have access to ADAMS or if there are problems in accessing the documents located in ADAMS, contact the NRC PDR Reference staff at 1–800–397–4029, 301–415–4737 or by e-mail to *pdr@nrc.gov.*

**FOR FURTHER INFORMATION CONTACT:** Michael T. Lesar, Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001 or e-mail: *MTL@nrc.gov.*

**SUPPLEMENTARY INFORMATION:** Mr. Leyse's petition covers three distinct issues: (1) Amendment of Appendix K to Part 50 of the Commission's regulations, (2) amendment of an NRC guidance document entitled Regulatory Guide 1.157, Best-Estimate Calculations of Emergency Core Cooling System (ECCS) Performance, and (3) the need for further analysis of Part 50 backup data.

### Issue (1)—Amendment of Appendix K to Part 50

The petitioner details at length technical deficiencies in Appendix K to Part 50, in Section I.A.5. The petitioner claims that Section I.A.5 does not accurately describe the extent of zirconium-water reactions that may occur during a loss-of-coolant accident (LOCA). The petitioner specifically describes how the Baker-Just equation used (Baker, L., Just, L.C., ''Studies of Metal Water Reactions at High Temperatures, III. Experimental and Theoretical Studies of the Zirconium-Water Reaction,'' an Argonne National Labs document (ANL–6548) page 7, May 1962) does not include any allowance for the complex thermal-hydraulic conditions during a LOCA, including the potential for very high bulk fluid temperatures within the cooling channels of the zirconium-clad fuel elements.

The petitioner cites the abstract of ANL–6548, and disputes the use of the conclusions drawn using test apparatus that do not accurately reflect the conditions present during a LOCA, specifically:

—The bulk water temperature was no greater that 315 C (599F),

—The volume of water within the test apparatus was substantially greater than the volume of zirconium specimens, creating a vastly greater capacity to cool the heated zirconium particles of the Baker and Just experiment than would exist under LOCA conditions, and

—Zirconium specimens were exposed to water only, while LOCA conditions include steam and non-equilibrium water-steam mixtures that reached higher bulk fluid temperatures. The petitioner further questions the appropriateness of the dimensions of the apparatus used in the investigations, detailing volume ratio of water to zirconium for several specimens.

The petitioner concludes that a footnote to the Baker and Just analysis stating ''This discussion is of a preliminary nature: work in this area is continuing,'' obviates the application prescribed in Appendix K to Part 50 in Section I.A.5. of the Baker-Just equation

to calculate the rate of energy release, hydrogen generation, and cladding oxidation from the metal/water reaction.

**Issue (2)—Amendment of Regulatory Guide 1.157**

The petitioner states Regulatory Guide 1.157, Best-Estimate Calculations of Emergency Core Cooling System (ECCS) Performance, uses data from NUREG–17 (the particular reference is ORNL/NUREG–17, Zirconium Metal-Water Oxidation Kinetics IV, Reaction Rate Studies, by Cathcart, et. al., August 1977) for calculating the rates of energy release, hydrogen generation, and cladding oxidation for cladding temperatures greater than 1900 degrees F. The petitioner claims this data is based on very limited test conditions and consequently, the results obviate the use of NUREG–17 in LOCA conditions.

The petitioner describes the following test conditions:

—Zircaloy-4 specimens exposed only to steam, rather than fluid conditions as present in a LOCA;
—No documented heat transfer from the zircaloy surface to the slow-flowing steam;
—Small scale laboratory testing without conditions typical of the complex thermal-hydraulic conditions that prevail during a LOCA; and
—An unexplained shift from the MaxiZWOK (testing apparatus for investigations in the temperature range from 1652 to 1832 degrees F) to the MiniZWOK (different testing apparatus for investigations in the temperature range 1832 to 2734 degrees F).

The petitioner believes that the investigators have drawn misleading conclusions that ''overlook very substantially greater mass transfer coefficients that accompany the so-called appropriate heat transfer coefficients.'' The petitioner concludes that ''it is those very substantially greater mass transfer coefficients that led to the temperature overshoot of the MaxiZWOK test at 1832 F, and that would have led to very substantially greater temperature overshoots and likely destruction of the Zircaloy tubing if MaxiZWOK had been operated over the temperature range of the MiniZWOK runs.''

The petitioner cites NUREG–17 and the following warning on its introductory page: *This report was prepared as an account of work sponsored by the United States Government. Neither the United States nor the Energy Research and Development Administration/United States Nuclear Regulatory Commission, nor any of their employees, nor any of their contractors, subcontractors, or their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness or usefulness of any information, apparatus, product or process disclosed, or represents that its use would not infringe privately owned rights.* The petitioner believes that inasmuch as the investigators do not warrant their work, and specifically assume no responsibility for the accuracy of their work, that the NUREG–17 is inapplicable to the regulation of nuclear power reactors in the U.S.A.

**Issue (3)—Need for further Analysis of Appendix K Backup Data**

The petitioner challenges certain technical statements and conclusions in the data report referenced in Appendix K.I.D.3. and D.5; the petitioner notes that the full title of the report is ''PWR FLECHT (Full Length Emergency Cooling Heat Transfer) Final Report,'' Westinghouse Report WCAP–7665, April 1971. The petitioner explains that the data in WCAP–7665, which includes the certified Run 9573, includes the complex thermal-hydraulic conditions and zircaloy-water reactions that characterize reflood. The petitioner states that these conditions are not found in the narrow test procedures of ANL–6548 or NUREG–17.

The petitioner explains that a pertinent description of the complexities of thermal-hydraulic conditions during reflood, including negative heat transfer coefficients, is included in Part 3.2.3 of WCAP–7665, and further states that this description applies to data collected with FLECHT bundles with stainless steel cladding. The petitioner feels that another FLECHT zircaloy bundle test, Run 8874 is also pertinent to issues raised in this petition.

The petitioner cites WCAP–7665, Part 5.6, and finds statements regarding zircaloy-Stainless Steel Comparison to be misleading, because they imply that stainless steel heat transfer coefficients may be used as a conservative representation of zircaloy behavior. The petitioner believes that the differences in behavior for various test runs are explained by the differences in the thermal hydraulic conditions that led to a different combination of heat transfer and mass transfer factors, and are not due to inconsistency of the data, as implied by the report.

The petitioner also finds Part 5.11 Materials Evaluation section of the report to be misleading in view of the total experience with FLECHT Run 9573. Finally, the petitioner notes that the same warning language as in NUREG–17 is on the cover page to WCAP–7665.

The petitioner further identifies a number of aspects of the data supporting the document entitled ''Acceptance Criteria for Emergency Core Cooling Systems for Light-Water Cooled Nuclear Reactors-Opinion of the Commission,'' Docket No. RM50–1, December 28, 1973, and notes the Commission concluded, ''It is apparent, however, that more experiments with zircaloy cladding are needed to overcome the impression left from run 9573.'' The petitioner finds that there has been a lack of appropriate response to the Commission's expressed need for more experiments, and believes that at the very least, Run 9573 should have been repeated. The petitioner emphasizes that although at least one billion dollars had been expended on other analytical efforts, there has been no reported analysis of FLECHT Run 9573.

The petitioner states that the test programs of the subject petition were funded by government agencies, and believes that most of those programs were firmly controlled by those ''who were indoctrinated in the methods of the tightly regimented Naval Reactors Program.'' The petitioner finds that the ''biased reporting of WCAP–7665 may be traced to these controls,'' and believes that ''the lack of application of the MaxiZWOK apparatus beyond 1832 F in NUREG–17 may likely be traced to rigid restrictions by management at the NRC.'' The petitioner further contends that while the Argonne work of ANL–6548 was likely less impacted by these controls, the controls likely did inhibit further analysis or reporting of FLECHT Run 9573.

The petitioner notes that he has made several requests to the Knolls Atomic Power Laboratory for Report KAPL–1534 which have been ignored.

**Request For Comments**

The Commission requests public comment on the issues raised by the petitioner. In particular, the Commission requests public comment on the following questions:

(1) Are the petitioner's three concerns with respect to ECCS cooling valid? If so, do these concerns constitute a significant safety concern?

(2) Are there actions available to the Commission other than rulemaking that would effectively address the concerns raised by the petitioner?

Dated at Rockville, Maryland, this 5th day of August, 2002.

For the Nuclear Regulatory Commission.

**Annette Vietti-Cook,**

*Secretary of the Commission.*

[FR Doc. 02–20172 Filed 8–8–02; 8:45 am]

**BILLING CODE 7590–01–P**

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## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. 2001–NM–291–AD]**

**RIN 2120–AA64**

## Airworthiness Directives; Boeing Model 737–600, -700, -700C, -800, and -900 Series Airplanes Equipped With Honeywell Start Converter Units

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Boeing Model 737–600, -700, -700C, -800, and -900 series airplanes equipped with certain Honeywell start converter units (SCU). This proposal would require replacement of the SCU of the auxiliary power unit (APU) located in the electrical and electronics (E/E) compartment with a new, improved SCU. This action is necessary to prevent overheating of the electrical connector of the SCU, which could create an ignition source and possible fire in the E/E compartment and cause damage to certain electrical wire bundles on the E2–2 shelf. Such damage could result in loss of power from the APU generator, failure of electrically powered airplane systems, and consequent reduction in the ability of the flight crew to control the airplane in certain adverse operating conditions. This action is intended to address the identified unsafe condition.

**DATES:** Comments must be received by September 23, 2002.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2001–NM–291–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227–1232. Comments may also be sent via the Internet using the following address: *9-anm-nprmcomment@faa.gov.* Comments sent via fax or the Internet must contain ''Docket No. 2001–NM–291–AD'' in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronics files must be formatted in Microsoft Word 97 for Windows or ASCII text.

Information pertaining to this amendment may be obtained from or examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Stephen S. Oshiro, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2793; fax (425) 227–1181.

**SUPPLEMENTARY INFORMATION:**

### Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this action may be changed in light of the comments received. Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (*e.g.,* reasons or data) for each request.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 2001–NM–291–AD.'' The postcard will be date stamped and returned to the commenter.

### Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2001–NM–291–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

### Discussion

The FAA has received several reports of failure of the auxiliary power unit (APU) to start or to generate electrical power after start-up or during APU operation on certain Boeing Model 737–700 and −800 series airplanes. During these APU failures, there was an odor of smoke detected by personnel on the flight deck. Investigation revealed signs of heat damage to the Aeronautical Radio, Incorporated (ARINC), connector of the APU start converter unit (SCU). (The ARINC connector is located on the back panel of the SCU housing and provides for electrical connection between the SCU and the APU generator.) The heat damage spread to the mating connector and adjacent wire bundles located on the E2–2 shelf of the electrical and electronics (E/E) compartment. Further investigation revealed that the damage was caused by a short circuit of certain capacitors that are part of the electromagnetic interference filter inside the ARINC connector. Such conditions, if not corrected, could result in overheating of the electrical connector of the SCU, which could create an ignition source and possible fire in the E/E compartment and cause damage to certain electrical wire bundles on the E2–2 shelf. Such damage could result in loss of power from the APU generator, failure of electrically powered airplane systems, and consequent reduction in the ability of the flight crew to control the airplane in certain adverse operating conditions.

The SCU of the APU is the same on certain Model 737–600 and −900 series airplanes as it is on certain Model 737–700, −700C, and −800 series airplanes. Therefore, all of these airplanes may be subject to the same unsafe condition described above.

### Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD is being issued to prevent overheating of the electrical connector of the SCU, which could create an ignition source and possible fire in the E/E compartment and cause damage to certain electrical wire bundles on the E2–2 shelf. Such

damage could result in loss of power from the APU generator, failure of electrically powered airplane systems, and consequent reduction in the ability of the flight crew to control the airplane in certain adverse operating conditions. The proposed AD would require replacement of certain SCUs with new, improved SCUs. The SCUs would be required to be replaced according to Boeing 737–600/700/800/900 Airplane Maintenance Manual (AMM)(the AMM includes procedures for Model 737–700C series airplanes).

**Cost Impact**

There are approximately 901 airplanes of the affected design in the worldwide fleet. The FAA estimates that 441 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 4 work hours per airplane to accomplish the proposed actions, and that the average labor rate is $60 per work hour. Required parts would be provided by the parts manufacturer at no cost to operators. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be $105,840, or $240 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this proposed AD were not adopted. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

**Regulatory Impact**

The regulations proposed herein would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this proposal would not have federalism implications under Executive Order 13132.

For the reasons discussed above, I certify that this proposed regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

**List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

**The Proposed Amendment**

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

## PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

**§ 39.13 [Amended]**

2. Section 39.13 is amended by adding the following new airworthiness directive:

**Boeing:** Docket 2001–NM–291–AD.

*Applicability:* Model 737–600, -700, -700C, -800, and -900 series airplanes; certificated in any category; equipped with start converter units (SCUs) having Honeywell part number (P/N) 1151858–241, Series 1 through 9 inclusive, or
P/N 1152426–245, Series 1 through 6 inclusive.

**Note 1:** This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (c) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

*Compliance:* Required as indicated, unless accomplished previously.

To prevent overheating of the electrical connector of the SCU, which could create an ignition source and possible fire in the electrical and electronics (E/E) compartment and cause damage to certain electrical wire bundles on the E2–2 shelf, accomplish the following:

**Replacement**

(a) Within 18 months after the effective date of this AD: Replace the SCU of the auxiliary power unit located in the E/E compartment, according to Boeing 737–600/700/800/900 Airplane Maintenance Manual, Chapter 49–41–61, dated June 5, 1998. Replace the applicable SCU listed in the ''Existing Honeywell P/N'' column below, with the corresponding SCU listed in the ''Replacement Honeywell P/N'' column below, as follows:

**SCU Part Numbers**

| Existing Honeywell P/N | Replacement Honeywell P/N |
|---|---|
| 1151858–241, Series 1 | 1151858–241, Series 10. |
| 1151858–241, Series 2 | 1151858–241, Series 11. |
| 1151858–241, Series 3 | 1151858–241, Series 12. |
| 1151858–241, Series 4 | 1151858–241, Series 10. |
| 1151858–241, Series 5 | 1151858–241, Series 11. |
| 1151858–241, Series 6 | 1151858–241, Series 12. |
| 1151858–241, Series 7 | 1151858–241, Series 10. |
| 1151858–241, Series 8 | 1151858–241, Series 11. |

| Existing Honeywell P/N | Replacement Honeywell P/N |
|---|---|
| 1151858–241, Series 9 | 1151858–241, Series 12. |
| 1152426–245, Series 1 | 1152426–245, Series 7. |
| 1152426–245, Series 2 | 1152426–245, Series 8. |
| 1152426–245, Series 3 | 1152426–245, Series 7. |
| 1152426–245, Series 4 | 1152426–245, Series 8. |
| 1152426–245, Series 5 | 1152426–245, Series 7. |
| 1152426–245, Series 6 | 1152426–245, Series 8 |

**Spares**

(b) As of the effective date of this AD, no person shall install on any airplane an SCU having P/N 1151858–241, Series 1 through 9 inclusive, or P/N 1152426–245, Series 1 through 6 inclusive.

**Alternative Methods of Compliance**

(c) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

**Special Flight Permit**

(d) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on July 29, 2002.

**Vi L. Lipski,**

*Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 02–20132 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–13–P

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. 2001–NM–303–AD]**

**RIN 2120–AA64**

## Airworthiness Directives; Airbus Model A300 B4–600, B4–600R, and F4–600R (Collectively Called A300–600) Series Airplanes; and Model A310 Series Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all Airbus Model A300 B4–600, B4–600R, and F4–600R (collectively called A300–600) series airplanes; and Model A310 series airplanes. This proposal would require revising the Airplane Flight Manual (AFM) to provide the flight crew with procedures to maintain controllability of the airplane in the event of an in-flight deployment of the thrust reverser. The action specified in this AD is intended to ensure that the flight crew is advised of the potential hazard associated with an in-flight deployment of the thrust reverser, and the procedures necessary to address it. This action is intended to address the identified unsafe condition.

**DATES:** Comments must be received by September 9, 2002.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2001–NM–303–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227–1232. Comments may also be sent via the Internet using the following address: *9-anm-nprmcomment@faa.gov.* Comments sent via fax or the Internet must contain ''Docket No. 2001–NM–303–AD'' in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 for Windows or ASCII text.

The service information referenced in the proposed rule may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Tim Backman, Aerospace Engineer, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2797; fax (425) 227–1149.

**SUPPLEMENTARY INFORMATION:**

### Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (*e.g.,* reasons or data) for each request.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 2001–NM–303–AD.'' The postcard will be date stamped and returned to the commenter.

### Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the

FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2001–NM–303–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

**Discussion**

The Direction Générale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, notified the FAA that an unsafe condition may exist on all Airbus Model A310 series airplanes, and Model A300 B4–600, B4–600R, and F4–600R (collectively called A300–600) series airplanes. The DGAC advises that using the existing thrust reverser ''ENG REV UNLK'' procedures in the Procedures Following Failures section of the Airplane Flight Manual (AFM) could result in reduced controllability of the airplane in the event of an in-flight deployment of the thrust reverser.

**Explanation of Relevant French Airworthiness Information**

The DGAC issued French airworthiness directive 2001–186(B) dated May 16, 2001, in order to assure the continued airworthiness of these airplanes in France. The French airworthiness directive requires incorporating certain AFM revision pages into the AFM of the subject airplane models.

**FAA's Conclusions**

These airplane models are manufactured in France and are type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above. The FAA has examined the findings of the DGAC, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

**Explanation of Requirements of Proposed Rule**

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type designs registered in the United States, the proposed AD would require revising the Limitations and Procedures sections of the AFM. The procedure defines actions to be taken by the flight crew in case of an uncommanded in-flight deployment of the thrust reverser.

**Differences Between the French Airworthiness Directive and Proposed Rule**

The French airworthiness directive requires revising the AFM in accord with certain AFM revisions. This proposed AD would require that the procedures described in those certain AFM revisions be incorporated into the AFM in accord with this proposed AD.

**Cost Impact**

The FAA estimates that 128 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 1 work hour per airplane to accomplish the proposed AFM revision, and that the average labor rate is $60 per work hour. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be $7,680, or $60 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this proposed AD were not adopted. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

**Regulatory Impact**

The regulations proposed herein would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this proposal would not have federalism implications under Executive Order 13132.

For the reasons discussed above, I certify that this proposed regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

**List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

**The Proposed Amendment**

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

## PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

**§ 39.13 [Amended]**

2. Section 39.13 is amended by adding the following new airworthiness directive:

**Airbus:** Docket 2001–NM–303–AD.

*Applicability:* All Model A310 series airplanes, and all Model A300 B4–600, A300 B4–600R, and F4–600R (collectively called A300–600) series airplanes; certificated in any category.

*Compliance:* Required as indicated, unless accomplished previously.

To prevent reduced controllability of the airplane in the event of an in-flight deployment of the thrust reverser, accomplish the following:

**Revisions to the Airplane Flight Manual**

(a) Within 60 days after the effective date of this AD, revise the Procedures Following Failures section of the Airplane Flight Manual (AFM) to include the ''ENG REV UNLK'' procedure contained in this paragraph of this AD. This may be accomplished by inserting a copy of this AD into the AFM.

''For airplanes fitted with ECAM SGU standard W23 or above:

**ENG REV UNLK** (MOD 10264 or MOD 10908 or 11318)

| | |
|---|---|
| —THROTTLE | IDLE. |
| —MAX SPEED | 300 KT. |
| IF BUFFET OR BANK: | |
| —FUEL LEVER | OFF. |
| —MAX SPEED | 240 KT. |

—Approach Speed: 1.3 Vs of selected landing configuration plus 10 kt.

For airplanes fitted with ECAM SGU standard earlier than W23:

| | |
|---|---|
| **ENG REV UNLK** | |
| —THROTTLE | IDLE (memory item). |
| —MAX SPEED | 300 KT (memory item). |
| IF BUFFET OR BANK: | |
| —FUEL LEVER | OFF. |
| —MAX SPEED | 240 KT. |

—Approach Speed: 1.3 Vs of selected landing configuration plus 10 kt.''.

**Alternative Methods of Compliance**

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM–116.

**Note 1:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Manager, International Branch, ANM–116.

**Special Flight Permits**

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

**Note 2:** The subject of this AD is addressed in French airworthiness directive 2001–186(B), dated May 16, 2001.

Issued in Renton, Washington, on July 29, 2002.

**Vi L. Lipski,**

*Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 02–20133 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–13–P

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. 2001–NM–396–AD]**

**RIN 2120–AA64**

## Airworthiness Directives; Airbus Model A330 and A340 Series Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all Airbus Model A330 and A340 series airplanes. This proposal would require a one-time inspection to determine the manufacturer's name, part number, and date code of certain circuit breakers; and replacement of any suspect circuit breaker with a new improved circuit breaker. This action is necessary to ensure that proper circuit breakers are installed for the fire extinguishing system or part of the supplemental oxygen supply. A defective circuit breaker, if not corrected, could trip without the cockpit indication light illuminating. If the flightcrew is unaware of this situation while operating the airplane, this latent failure in combination with other failures could present an immediate hazard to the airplane. This action is intended to address the identified unsafe condition.

**DATES:** Comments must be received by September 9, 2002.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2001–NM–396–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227–1232. Comments may also be sent via the Internet using the following address: *9-anm-iarcomment@faa.gov.* Comments sent via fax or the Internet must contain ''Docket No. 2001–NM–396–AD'' in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 for Windows or ASCII text.

The service information referenced in this AD may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Gary Lium, Aerospace Engineer, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–1112; fax (425) 227–1149.

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (*e.g.*, reasons or data) for each request.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 2001–NM–396–AD.'' The postcard will be date stamped and returned to the commenter.

**Availability of NPRMs**

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2001–NM–396–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

**Discussion**

The Direction Générale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, notified the FAA that an unsafe condition may exist on all Airbus Model A330 and A340 series airplanes. The DGAC advises it has received reports of electrical discontinuity of the auxiliary contacts of certain Texas Instrument circuit breakers (located in the 722VU and 742VU panels), with date codes 96/01 through 98/52 inclusive. The cause of these failures has been attributed to a manufacturing process error during the production of certain Texas Instruments circuit breakers. A defective circuit breaker for the fire extinguishing system or part of the supplemental oxygen supply, if not corrected, could trip without the cockpit indication light illuminating. If the flightcrew is unaware of this situation while operating the airplane, this latent failure in combination with other failures could present an immediate hazard to the airplane.

**Explanation of Relevant Service Information**

Airbus has issued Service Bulletin A330–92–3034, Revision 03 (for Model A330 series airplanes); and Airbus Service Bulletin A340–92–4042, Revision 03 (for Model A340 series airplanes); both dated November 13, 2001. The service bulletins describe procedures for a one-time inspection to determine the manufacturer's name, part number, and date code of circuit breakers 1WX, 2WX, and 5WR through 12WR inclusive, located in the 722VU and 742VU panels. The service bulletins also describe procedures for replacing any suspect circuit breaker with a new improved circuit breaker, either having the proper date code or from another manufacturer. Accomplishment of the actions specified in the service bulletins is intended to adequately address the identified unsafe condition. The DGAC classified these service bulletins as mandatory and issued French airworthiness directives 2001–468(B) and 2001–469(B), both dated October 3, 2001, in order to assure the continued airworthiness of these airplanes in France.

**FAA's Conclusions**

These airplane models are manufactured in France and are type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.19) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above. The FAA has examined the findings of the DGAC, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

**Explanation of Requirements of Proposed Rule**

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would require accomplishment of the actions specified in the service bulletins described previously.

**Cost Impact**

The FAA estimates that 8 Model A330 series airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 2 work hours per airplane to accomplish the proposed inspection, and that the average labor rate is $60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators of Model A330 series airplanes is estimated to be $960, or $120 per airplane.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this proposed AD were not adopted. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

Currently, there are no Model A340 series airplanes on the U.S. Register. However, should an affected airplane be imported and placed on the U.S. Register in the future, it would require approximately 2 work hours to accomplish the proposed action, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD for Model A340 series airplanes would be $120 per airplane.

**Regulatory Impact**

The regulations proposed herein would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this proposal would not have federalism implications under Executive Order 13132.

For the reasons discussed above, I certify that this proposed regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

**List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

**The Proposed Amendment**

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

## PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

**§ 39.13 [Amended]**

2. Section 39.13 is amended by adding the following new airworthiness directive:

**Airbus:** Docket 2001–NM–396–AD.

*Applicability:* All Model A330 and A340 series airplanes, certificated in any category.

**Note 1:** This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

*Compliance:* Required as indicated, unless accomplished previously.

To ensure that proper circuit breakers are installed for the fire extinguishing system or

part of the supplemental oxygen supply, accomplish the following:

**Inspection**

(a) Within 6 months after the effective date of this AD, inspect to determine the manufacturer's name, part number, and date code of circuit breakers 1WX, 2WX, and 5WR through 12WR inclusive, located in the 722VU and 742VU panels; per Airbus Service Bulletin A330–92–3034, Revision 03 (for Model A330 series airplanes); or Airbus Service Bulletin A340–92–4042, Revision 03 (for Model A340 series airplanes); both dated November 13, 2001; as applicable.

**Corrective Action**

(b) If any Texas Instruments circuit breaker having part number (P/N) E0730–005A7A5A, E0730–005A05AA, E0730–005A7A5B, or E0730–005A05AB, with any date code 96/01 through 98/52 inclusive, is found during the inspection required by paragraph (a) of this AD, before further flight, replace the circuit breaker with a new improved circuit breaker, either having the proper date code or from another manufacturer, per Airbus Service Bulletin A330–92–3034, Revision 03 (for Model A330 series airplanes); or Airbus Service Bulletin A340–92–4042, Revision 03 (for Model A340 series airplanes); both dated November 13, 2001; as applicable.

**Note 2:** Inspections and corrective actions accomplished before the effective date of this AD per Airbus Service Bulletin A330–92–3034, dated February 9, 2001; Revision 01, dated April 11, 2001; or Revision 02, dated August 14, 2001 (for Model A330 series airplanes); and Airbus Service Bulletin A340–92–4042, dated February 9, 2001; Revision 01, dated April 11, 2001; or Revision 02, dated August 14, 2001 (for Model A340 series airplanes); are considered acceptable for compliance with the applicable inspections and corrective actions required by this AD.

**Spares**

(c) As of the effective date of this AD, no person shall install any Texas Instruments circuit breaker having P/N E0730–005A7A5A, E0730–005A05AA, E0730–005A7A5B, or E0730–005A05AB with any date code 96/01 through 98/52 inclusive, on any airplane.

**Alternative Methods of Compliance**

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM–116.

**Note 3:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

**Special Flight Permits**

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

**Note 4:** The subject of this AD is addressed in French airworthiness directives 2001–468(B) and 2001–469(B), both dated October 3, 2001.

Issued in Renton, Washington, on July 29, 2002.

**Vi L. Lipski,**

*Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 02–20134 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–13–P

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## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. 2000–CE–80–AD]**

**RIN 2120–AA64**

## Airworthiness Directives; Raytheon Aircraft Company 65, 90, 99, 100, 200, and 300 Series, and Model 2000 Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes to adopt a new airworthiness directive (AD) that would apply to certain Raytheon Aircraft Company (Raytheon) 65, 90, 99, 100, 200, and 300 series, and Model 2000 airplanes. The proposed AD would require you to install new exterior operating instruction placards for the airstair door and emergency exits. The proposed AD is the result of Raytheon improving the visibility and understandability of the door operating instruction placards. This was done as a result of difficulty opening the emergency exits of a similar type design airplane. The actions specified by the proposed AD are intended to assure that clear and complete operating instructions are visible for opening the airstair door and emergency exits. If not visible or understandable, this could result in the inability to open the airstair door or emergency exits during an emergency situation.

**DATES:** The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before October 15, 2002.

**ADDRESSES:** Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000–CE–80–AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments electronically to the following address: *9–ACE–7–Docket@faa.gov.* Comments sent electronically must contain ''Docket No. 2000–CE–80–AD'' in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from Raytheon Aircraft Company, 9709 E. Central, Wichita, Kansas 67201–0085; telephone: (800) 429–5372 or (316) 676–3140. You may also view this information at the Rules Docket at the address above.

**FOR FURTHER INFORMATION CONTACT:** Mr. Steven E. Potter, Aerospace Engineer, Wichita Aircraft Certification Office, FAA, 1801 Airport Road, Mid-Continent Airport, Wichita, Kansas 67209; telephone: (316) 946–4124; facsimile: (316) 946–4407.

**SUPPLEMENTARY INFORMATION:**

### Comments Invited

*How Do I Comment on This Proposed AD?*

The FAA invites comments on this proposed rule. You may submit whatever written data, views, or arguments you choose. You need to include the rule's docket number and submit your comments to the address specified under the caption **ADDRESSES**. We will consider all comments received on or before the closing date. We may amend this proposed rule in light of comments received. Factual information that supports your ideas and suggestions is extremely helpful in evaluating the effectiveness of this proposed AD action and determining whether we need to take additional rulemaking action.

*Are There Any Specific Portions of This Proposed AD I Should Pay Attention To?*

The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this proposed rule that might suggest a need to modify the rule.

You may view all comments we receive before and after the closing date of the rule in the Rules Docket. We will file a report in the Rules Docket that summarizes each contact we have with the public that concerns the substantive parts of this proposed AD.

*How Can I Be Sure FAA Receives My Comment?*

If you want FAA to acknowledge the receipt of your mailed comments, you must include a self-addressed, stamped postcard. On the postcard, write ''Comments to Docket No. 2000–CE–80–AD.'' We will date stamp and mail the postcard back to you.

**Discussion**

*What Events Have Caused This Proposed AD?*

FAA believes that the instructions for opening the airstair door and emergency exits are either not visible or not easy to understand on Raytheon 65, 90, 99, 100, 200, and 300 series, and Model 2000 airplanes. This is based on an accident that resulted in the issuance of AD 97–04–02. AD 97–04–02 was later superseded by AD 98–21–20 to incorporate more visible and understandable instructions.

*What Are the Consequences If the Condition is Not Corrected?*

If the exterior door operating instruction placards are not visible or understandable, this could result in the inability to open the airstair door or emergency exits during an emergency situation.

*Is There Service Information That Applies to This Subject?*

Raytheon has issued Mandatory Service Bulletin SB 52–3096, Rev. 1, Revised: June, 2002.

*What Are the Provisions of This Service Information?*

The service bulletin includes procedures for installing new exterior placards with improved operating instructions for the airstair door and emergency exits on the affected airplanes.

**The FAA's Determination and an Explanation of the Provisions of this Proposed AD**

*What Has FAA decided?*

After examining the circumstances and reviewing all available information related to the incidents described above, we have determined that:

—The unsafe condition referenced in this document exists or could develop on other Raytheon 65, 90, 99, 100, 200, and 300 series, and Model 2000 airplanes of the same type design;

—The actions specified in the previously-referenced service information should be accomplished on the affected airplanes; and

—AD action should be taken in order to correct this unsafe condition.

*What Would This Proposed AD Require?*

This proposed AD would require you to install new exterior operating instruction placards for the airstair door and emergency exits.

**Cost Impact**

*How Many Airplanes Would the Proposed AD Impact?*

We estimate that the proposed AD would affect 3,587 airplanes in the U.S. registry.

*What Would Be the Cost Impact of This Proposed AD on Owners/Operators of the Affected Airplanes?*

We estimate the following costs to accomplish the proposed modification:

| Labor cost | Parts cost | Total cost per airplane | Total cost on U.S. operators |
|---|---|---|---|
| 2 workhours × $60 per hour = $120 ..... | Approximately $190 per airplane ..... | $120 + $190 = $310 | $310 × 3,587 = $1,111,970 |

The manufacturer will provide warranty credit for labor and parts to the extent noted under **MANPOWER** and **MATERIAL** in Raytheon Mandatory Service Bulletin SB 52–3096, Rev. 1, Revised: June, 2002.

**Compliance Time of This Proposed AD**

*What Would Be the Compliance Time of This Proposed AD?*

The compliance time of this proposed AD is ''within the next 200 hours time-in-service (TIS) after the effective date of this AD or within the next 12 calendar months after the effective date of this AD, whichever occurs first.''

*Why Is the Compliance Time of This Proposed AD Presented in Both Hours TIS and Calendar Time?*

The unsafe condition on these airplanes is not a result of the number of times the airplane is operated. Airplane operation varies among operators. For example, one operator may operate the airplane 50 hours TIS in 3 months while it may take another operator 12 months or more to accumulate 50 hours TIS. For this reason, the FAA has determined that the compliance time of the proposed AD should be specified in both hours time-in-service (TIS) and calendar time in order to assure this condition is not allowed to go uncorrected over time.

**Regulatory Impact**

*Would This Proposed AD Impact Various Entities?*

The regulations proposed herein would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this proposed rule would not have federalism implications under Executive Order 13132.

*Would This Proposed AD Involve a Significant Rule or Regulatory Action?*

For the reasons discussed above, I certify that this proposed action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

**List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

**The Proposed Amendment**

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

## PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

**§ 39.13 [Amended]**

2. FAA amends § 39.13 by adding a new airworthiness directive (AD) to read as follows:

**Raytheon Aircraft Company:** Docket No. 2000–CE–80–AD

(a) *What airplanes are affected by this AD?* This AD affects the following airplane models and serial numbers that are certificated in any category;

| Model | Serial Nos. |
|---|---|
| (1) 65–90, 65–A90, B90, C90, and C90A | LJ–1 through LJ–1530. |
| (2) 65–A90–1 (U–21A) | LM–1 through LM–125. |
| (3) 65–A90–1 (U–21G) | LM–126 through LM–141. |
| (4) 65–A90–2 (RU–21B) | LS–1 through LS–3. |
| (5) 65–A90–3 (RU–21C) | LT–1 and LT–2. |
| (6) 65–A90–4 (RU–21E) | LU–1 through LU–16. |
| (7) E90 | LW–1 through LW–347. |
| (8) F90 | LA–2 through LA–236. |
| (9) H90 (T–44A) | LL–1 through LL–61. |
| (10) 99, 99A, A99A, B99, and C99 | U–1 through U–239. |
| (11) 100 and A100 | B–1 through B–94 and B–100 through B–247. |
| (12) A100 (U–21F) | B95 through B–99. |
| (13) A100–1 (U–21J) | BB–3 through BB–5. |
| (14) A200 (C–12A) and (C–12C) | BC–1 through BC–75 and BD–1 through BD–30. |
| (15) A200C (UC–12B) | BJ–1 through BJ–66. |
| (16) A200CT (C–12D) | BP–1, BP–22, and BP–24 through BP–51. |
| (17) A200CT (C–12F) | BP–52 through BP–63. |
| (18) A200CT (FWC–12D) | BP–7 through BP–11. |
| (19) A200CT (RC–12D) | GR–1 through GR–12. |
| (20) A200CT (RC–12G) | FC–1 through FC–3. |
| (21) A200CT (RC–12H) | GR–14 through GR–19. |
| (22) A200CT (RC–12K) | FE–1 through FE–9. |
| (23) A200CT (RC–12P) | FE–25 through FE–31, FE–33, and FE–35. |
| (24) A200CT (RC–12Q) | FE–32, FE–34, and FE–36. |
| (25) B100 | BE–1 through BE–137. |
| (26) B200 and 200 | BB–2, BB–6 through BB–1313, BB–1315 through BB–1384, and BB–1389 through BB–1662. |
| (27) B200C and 200C | BL–1 through BL–72, and BL–124 through BL–140. |
| (28) B200C (C–12F) | BL–73 through BL–112, BL–118 through BL–123, and BP–64 through BP–71. |
| (29) B200C (C–12R) | BW–1 through BW–29. |
| (30) B200C (UC–12F) | BU–1 through BU–10. |
| (31) B200C (UC–12M) | BV–1 through BV–10. |
| (32) B200CT and 200CT | BN–1 through BN–4. |
| (33) B200T and 200T | BT–1 through BT–38, and BB–1314. |
| (34) 300 | FA–1 through FA–230, and FF–1 through FF–19. |
| (35) B300 | FL–1 through FL–252. |
| (36) B300C | FM–1 through FM–9, and FN–1. |
| (37) 2000 | NC–4 through NC–53. |

(b) *Who must comply with this AD?* Anyone who wishes to operate any of the airplanes identified in paragraph (a) of this AD must comply with this AD.

(c) *What problem does this AD address?* The actions specified by this AD are intended to assure that clear and complete operating instructions are visible for opening the airstair door and emergency exits. If not visible or understandable, this could result in the inability to open the airstair door or emergency exits during an emergency situation.

(d) *What actions must I accomplish to address this problem?* To address this problem, you must accomplish the following:

| Actions | Compliance | Procedures |
|---|---|---|
| Modify the exterior door operating procedures by incorporating the kit as specified in the service bulletin. | Within the next 200 hours time-in-service (TIS) after the effective date of this AD or within the next 12 calendar months after the effective date of this AD, whichever occurs first. | In accordance with the applicable kit instructions as specified in the Accomplishment Instructions section in Raytheon Mandatory Service Bulletin SB 52–3096, Rev. 1, Revised: June, 2002. Use Paragraph (7) of the Accomplishment Instructions section in Raytheon Mandatory Service Bulletin SB 52–3096, Rev. 1, Revised: June, 2002, to accomplish this action on the Model 2000 airplanes. |

(e) *Can I comply with this AD in any other way?* You may use an alternative method of compliance or adjust the compliance time if:

(1) Your alternative method of compliance provides an equivalent level of safety; and

(2) The Manager, Wichita Aircraft Certification Office (ACO), approves your alternative. Submit your request through an FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Wichita ACO.

**Note:** This AD applies to each airplane identified in paragraph (a) of this AD,

regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (e) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if you have not eliminated the unsafe condition, specific actions you propose to address it.

(f) *Where can I get information about any already-approved alternative methods of compliance?* Contact Mr. Steven E. Potter, Aerospace Engineer, Wichita Aircraft Certification Office, FAA, 1801 Airport Road, Mid-Continent Airport, Wichita, Kansas 67209; telephone: (316) 946–4124; facsimile: (316) 946–4407.

(g) *What if I need to fly the airplane to another location to comply with this AD?* The FAA can issue a special flight permit under sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate your airplane to a location where you can accomplish the requirements of this AD.

(h) *How do I get copies of the documents referenced in this AD?* You may get copies of the documents referenced in this AD from Raytheon Aircraft Company, 9709 E. Central, Wichita, Kansas 67201–0085; telephone: (800) 429–5372 or (316) 676–3140. You may view these documents at FAA, Central Region, Office of the Regional Counsel, 901 Locust, Room 506, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on August 2, 2002.

**Dorenda D. Baker,**

*Acting Manager, Small Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 02–20135 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–13–P

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## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. 2002–CE–28–AD]**

**RIN 2120–AA64**

## Airworthiness Directives; PILATUS Aircraft Ltd. Model PC–7 Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes to adopt a new airworthiness directive (AD) that would apply to certain PILATUS Aircraft Ltd. (Pilatus) Model PC–7 airplanes. This proposed AD would require you to repetitively inspect the main landing gear front attachment brackets for cracks, and, if cracks are found, install improved-design brackets. Installing the improved-design brackets terminates the required inspections. This proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for Switzerland. The actions specified by this proposed AD are intended to detect and correct cracks in the main landing gear front attachment brackets, which could result in failure of the brackets. Such failure could lead to the main landing gear leg detaching from the wing main spar.

**DATES:** The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before September 20, 2002.

**ADDRESSES:** Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2002–CE–28–AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments electronically to the following address: *9–ACE–7–Docket@faa.gov.* Comments sent electronically must contain ''Docket No. 2002–CE–28–AD'' in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from Pilatus Aircraft Ltd., Customer Liaison Manager, CH–6371 Stans, Switzerland; telephone: +41 41 619 63 19; facsimile: +41 41 619 6224; or from Pilatus Business Aircraft Ltd., Product Support Department, 11755 Airport Way, Broomfield, Colorado 80021; telephone: (303) 465–9099; facsimile: (303) 465–6040. You may also view this information at the Rules Docket at the address above.

**FOR FURTHER INFORMATION CONTACT:** Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4059; facsimile: (816) 329–4090.

**SUPPLEMENTARY INFORMATION:**

### Comments Invited

*How Do I Comment on This Proposed AD?*

The FAA invites comments on this proposed rule. You may submit whatever written data, views, or arguments you choose. You need to include the rule's docket number and submit your comments to the address specified under the caption **ADDRESSES**. We will consider all comments received on or before the closing date. We may amend this proposed rule in light of comments received. Factual information that supports your ideas and suggestions is extremely helpful in evaluating the effectiveness of this proposed AD action and determining whether we need to take additional rulemaking action.

*Are There Any Specific Portions of This Proposed AD I Should Pay Attention To?*

The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this proposed rule that might suggest a need to modify the rule.

You may view all comments we receive before and after the closing date of the rule in the Rules Docket. We will file a report in the Rules Docket that summarizes each contact we have with the public that concerns the substantive parts of this proposed AD.

*How Can I Be Sure FAA Receives My Comment?*

If you want FAA to acknowledge the receipt of your mailed comments, you must include a self-addressed, stamped postcard. On the postcard, write ''Comments to Docket No. 2002–CE–28–AD.'' We will date stamp and mail the postcard back to you.

### Discussion

*What Events Have Caused This Proposed AD?*

The Federal Office for Civil Aviation (FOCA), which is the airworthiness authority for Switzerland, recently notified FAA that an unsafe condition may exist on certain Pilatus Model PC–7 airplanes. The FOCA reports that an operator of a similar aircraft type design, which uses identical main landing gear support brackets, reported a single crack in one bracket. A fleet inspection of the operator's aircraft revealed stress corrosion cracking in more than 20 aircraft.

*What Are the Consequences if the Condition Is Not Corrected?*

Cracks in the main landing gear front attachment brackets could result in failure of the brackets. Such failure could lead to the main landing gear leg detaching from the wing main spar.

*Is There Service Information That Applies to This Subject?*

Pilatus has issued:

—Pilatus PC–7 Service Bulletin No. 57–004, Revision No. 1, dated June 17, 2002;

—Pilatus PC–7 Service Bulletin No. 57–005, dated September 10, 2001; and
—Pilatus PC–7 Maintenance Manual, Temporary Revision No. 05–10, dated September 10, 2001.

*What Are The Provisions of This Service Information?*

The service information includes procedures for:
—inspection of the main landing gear front attachment brackets; and
—replacement of the main landing gear front attachment bracket.

*What Action Did the FOCA Take?*

The FOCA classified this service information as mandatory and issued Swiss AD Number HB 2002–270, dated June 24, 2002, in order to ensure the continued airworthiness of these airplanes in Switzerland.

*Was This in Accordance With the Bilateral Airworthiness Agreement?*

These airplane models are manufactured in Switzerland and are type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement.

Pursuant to this bilateral airworthiness agreement, the FOCA has kept FAA informed of the situation described above.

**The FAA's Determination and an Explanation of the Provisions of This Proposed AD**

*What Has FAA Decided?*

The FAA has examined the findings of the FOCA; reviewed all available information, including the service information referenced above; and determined that:
—the unsafe condition referenced in this document exists or could develop on other Pilatus Model PC–7 airplanes of the same type design that are on the U.S. registry;
—the actions specified in the previously-referenced service information should be accomplished on the affected airplanes; and
—AD action should be taken in order to correct this unsafe condition.

*What Would This Proposed AD Require?*

This proposed AD would require you to incorporate the actions in the previously-referenced service bulletin.

**Cost Impact**

*How Many Airplanes Would This Proposed AD Impact?*

We estimate that this proposed AD affects 14 airplanes in the U.S. registry.

*What Would Be the Cost Impact of This Proposed AD on Owners/Operators of the Affected Airplanes?*

We estimate the following costs to accomplish each proposed inspection:

| Labor cost | Parts cost | Total cost per airplane | Total cost on U.S. operators |
|---|---|---|---|
| 4 workhours × $60 = $240 | No parts required | $240 | $240 × 14 = $3,360. |

The FAA has no method of determining the number of repetitive inspections each owner/operator would incur over the life of each of the affected airplanes so the cost impact is based on the initial inspection.

We estimate the following costs to accomplish any necessary replacements that would be required based on the results of the proposed inspection. We have no way of determining the number of airplanes that may need such replacement:

| Labor cost | Parts cost | Total cost per airplane |
|---|---|---|
| 80 workhours × $60 = $4,800 per side | $2,500 per side | $4,800 + $2,500 = $7,300 per side. |

**Compliance Time of This Proposed AD**

*What Would Be the Compliance Time of This Proposed AD?*

The compliance time of this proposed AD is whichever occurs later: (1) upon the accumulation of 3,000 hours time-in-service (TIS) on the attachment brackets or 10 years after installation of the brackets, whichever occurs first; or (2) within 90 days after the effective date of the proposed AD.

*Why Is the Compliance Time of This Proposed AD Presented in Both Hours TIS and Calendar Time?*

Cracking of the main landing gear attachment brackets on the affected airplanes is caused by stress corrosion, which starts as a result of high local stress incurred through operation. Corrosion can then develop regardless of whether the airplane is in flight or on the ground. The cracks may not be noticed initially as a result of the stress loads, but could then progress as a result of corrosion. The stress incurred during flight operations or temperature changes could then cause rapid crack growth. In order to ensure that these stress corrosion cracks do not go undetected, a compliance time of specific hours TIS and calendar time is utilized.

**Regulatory Impact**

*Would This Proposed AD Impact Various Entities?*

The regulations proposed herein would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this proposed rule

would not have federalism implications under Executive Order 13132.

*Would This Proposed AD Involve a Significant Rule or Regulatory Action?*

For the reasons discussed above, I certify that this proposed action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

**List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

**The Proposed Amendment**

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

## PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

**§ 39.13 [Amended]**

2. FAA amends § 39.13 by adding a new airworthiness directive (AD) to read as follows:

**Pilatus Aircraft Ltd.:** Docket No. 2002–CE–28–AD

(a) *What airplanes are affected by this AD?* This AD affects Model PC–7 airplanes, serial numbers 101 through 618, that are certificated in any category.

(b) *Who must comply with this AD?* Anyone who wishes to operate any of the airplanes identified in paragraph (a) of this AD must comply with this AD.

(c) *What problem does this AD address?* The actions specified by this AD are intended to detect and correct cracks in the main landing gear front attachment brackets, which could result in failure of the brackets. Such failure could lead to the main landing gear leg detaching from the wing main spar.

(d) *What actions must I accomplish to address this problem?* To address this problem, you must accomplish the following:

| Compliance | Actions | Procedures |
|---|---|---|
| (1) *Initial Inspection:* At whichever of the following occurs later, unless already accomplished:<br>(i) upon the accumulation of 3,000 hours time-in-service (TIS) on the attachment brackets or 10 years after installation of the brackets, whichever occurs first; or<br>(ii) within 90 days after the effective date of this AD. | Inspect, using the Impedance-Plane Eddy-Current Inspection, both main landing gear front attachment brackets, part number (P/N) 111.34.07.105 and P/N 111.34.07.106 for cracks. | In accordance with the ACCOMPLISHMENT INSTRUCTIONS section of Pilatus PC–7 Service Bulletin No. 57–004, Revision No. 1, dated June 17, 2002; the ACCOMPLISHMENT INSTRUCTIONS section of Pilatus PC–7 Service Bulletin No. 57–005, dated September 10, 2001; and Pilatus PC–7 Maintenance Manual, Temporary Revision No. 05–10, dated September 10, 2001. |
| (2) *Repetitive Inspections:* Within 12 calendar months after the initial inspection required in paragraph (d)(1) of this AD and thereafter at intervals not to exceed 12 calendar months. | Inspect, using the Impedance-Plane Eddy-Current Inspection, both main landing gear front attachment brackets, P/N 111.34.07.105 and P/N 111.34.07.106 for cracks. | In accordance with the ACCOMPLISHMENT INSTRUCTIONS section of Pilatus PC–7 Service Bulletin No. 57–004, Revision No. 1, dated June 17, 2002; the ACCOMPLISHMENT INSTRUCTIONS section of Pilatus PC–7 Service Bulletin No. 57–005, dated September 10, 2001; and Pilatus PC–7 Maintenance Manual, Temporary Revision No. 05–10, dated September 10, 2001. |
| (3) Prior to further flight after the inspection which the damage was found. | If a crack is found in any main landing gear front attachment bracket during any inspection required in this AD, replace with an improved bracket, P/N 557.10.09.045, P/N 557.10.09.046, or FAA-approved equivalent P/N. Repetitive inspections are still required on any P/N 111.34.07.105 and P/N 111.34.07.106 for cracks. | In accordance with the ACCOMPLISHMENT INSTRUCTIONS section of Pilatus PC–7 Service Bulletin No. 57–005, dated September 10, 2001. |
| (4) At any time terminating action for the repetitive inspections. However, you must replace prior to further flight if you find cracks during any inspections required by this AD. | You may terminate the inspections required in paragraphs(d)(1) and (d)(2) of this AD when improved design main landing gear front attachment brackets, P/N 557.10.09.045, P/N 557.10.09.046, or FAA-approved equivalent P/Ns, are installed on both sides of the airplane. | In accordance with ACCOMPLISHMENT INSTRUCTIONS Pilatus PC–7 Service Bulletin No. 57–005, dated September 10, 2001. |
| (5) As of the effective date of this AD ..... | Only install main landing gear brackets that are P/N 557.10.09.045, P/N 557.10.09.046, or FAA-approved equivalent P/Ns. | Not Applicable. |

**Note 1:** If you find cracks on one side only, you are only required to replace the damaged side with the new improved-design bracket and continue the repetitive inspections required by paragraph (d)(2) of this AD. Repetitive inspections are still required on any installed bracket with either P/N 111.34.07.105 or P/N 111.34.07.106.

(e) *Can I comply with this AD in any other way?* You may use an alternative method of compliance or adjust the compliance time if:

(1) Your alternative method of compliance provides an equivalent level of safety; and

(2) The Standards Office Manager, Small Airplane Directorate, approves your alternative. Submit your request through an FAA Principal Maintenance Inspector, who may add comments and then send it to the Standards Office Manager.

**Note 2:** This AD applies to each airplane identified in paragraph (a) of this AD, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (e) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if you have not eliminated the unsafe condition, specific actions you propose to address it.

(f) *Where can I get information about any already-approved alternative methods of compliance?* Contact Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4059; facsimile: (816) 329–4090.

(g) *What if I need to fly the airplane to another location to comply with this AD?* The FAA can issue a special flight permit under sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate your airplane to a location where you can accomplish the requirements of this AD.

(h) *How do I get copies of the documents referenced in this AD?* You may get copies of the documents referenced in this AD from Pilatus Aircraft Ltd., Customer Liaison Manager, CH–6371 Stans, Switzerland; telephone: +41 41 619 63 19; facsimile: +41 41 619 6224; or from Pilatus Business Aircraft Ltd., Product Support Department, 11755 Airport Way, Broomfield, Colorado 80021; telephone: (303) 465–9099; facsimile: (303) 465–6040. You may view these documents at FAA, Central Region, Office of the Regional Counsel, 901 Locust, Room 506, Kansas City, Missouri 64106.

**Note 3:** The subject of this AD is addressed in Swiss AD HB 2002–270, dated June 24, 2002.

Issued in Kansas City, Missouri, on August 2, 2002.

**Dorenda D. Baker,**

*Acting Manager, Small Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 02–20136 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–13–P

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. 2002–CE–25–AD]**

**RIN 2120–AA64**

## Airworthiness Directives; British Aerospace Jetstream Model 3201 Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes to supersede Airworthiness Directive (AD) 2000–09–13, which currently requires you to inspect the fuel quantity indication system for damage to the insulation of the wiring within the fuel tanks on British Aerospace Jetstream Model 3201 airplanes and requires you to repair or replace damaged wiring. This proposed AD would retain the actions of AD 2000–09–13 and require you to replace the fuel quantity indication system wiring harness with improved design parts, inspect the fuel boost pump area for damage, and replace any damaged component. This proposed AD is the result of mandatory continuing airworthiness information (MCAI) issued by the airworthiness authority for the United Kingdom. The actions specified by this proposed AD are intended to detect, correct, and prevent damage to the insulation of the wiring within the fuel tanks of the fuel quantity indication system. If not detected, corrected, and prevented, such damaged wiring could result in damage to the fuel boost pump and a malfunction in the cockpit indicators and/or electrical sparking inside the fuel tank with consequent fire or explosion.

**DATES:** The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before September 17, 2002.

**ADDRESSES:** Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2002–CE–25–AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments electronically to the following address: *9–ACE–7–Docket@faa.gov.* Comments sent electronically must contain ''Docket No. 2002–CE–25–AD'' in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from British Aerospace Regional Aircraft, Prestwick International Airport, Ayrshire, KA9 2RW, Scotland; telephone: (01292) 672345; facsimile: (01292) 671625. You may also view this information at the Rules Docket at the address above.

**FOR FURTHER INFORMATION CONTACT:** Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4059; facsimile: (816) 329–4090.

**SUPPLEMENTARY INFORMATION:**

### Comments Invited

*How Do I Comment on This Proposed AD?*

The FAA invites comments on this proposed rule. You may submit whatever written data, views, or arguments you choose. You need to include the rule's docket number and submit your comments to the address specified under the caption **ADDRESSES**. We will consider all comments received on or before the closing date. We may amend this proposed rule in light of comments received. Factual information that supports your ideas and suggestions is extremely helpful in evaluating the effectiveness of this proposed AD action and determining whether we need to take additional rulemaking action.

*Are There Any Specific Portions of This Proposed AD I Should Pay Attention To?*

The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this proposed rule that might suggest a need to modify the rule. You may view all comments we receive before and after the closing date of the rule in the Rules Docket. We will file a report in the Rules Docket that summarizes each contact we have with the public that concerns the substantive parts of this proposed AD.

*How Can I Be Sure FAA Receives My Comment?*

If you want FAA to acknowledge the receipt of your mailed comments, you must include a self-addressed, stamped postcard. On the postcard, write ''Comments to Docket No. 2002–CE–25–AD.'' We will date stamp and mail the postcard back to you.

## Discussion

*Has FAA Taken Any Action to This Point?*

Reports of damage to the insulation of the wiring within the wing fuel tanks of the fuel quantity indication system on two British Aerospace Jetstream Model 3201 airplanes caused us to issue AD 2000–09–13, Amendment 39–11722 (65 FR 30863, May 15, 2000). This AD requires you to accomplish the following on all British Aerospace Jetstream Model 3201 airplanes:

—inspect the fuel quantity indication system for damage to the insulation of the wiring within the fuel tanks; and

—repair or replace damaged wiring.

These actions must be accomplished in accordance with British Aerospace Jetstream Alert Service Bulletin 28–A–JA990841, Original Issue: September 8, 1999; or British Aerospace Jetstream Alert Service Bulletin 28–A–JA990841, Original Issue: September 8, 1999; Revision No. 1: November 12, 1999.

*What Events Have Caused This Proposed AD?*

The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom, recently notified FAA that an unsafe condition may continue to exist in the fuel quantity insulation wiring area on all British Aerospace Jetstream Model 3201 airplanes. The CAA reports that the existing fuel quantity indication system wiring harness is composed of ''equipment grade'' wiring instead of ''aircraft grade'' wiring. This ''equipment grade'' wiring has a thinner insulation wall and will eventually deteriorate regardless of whether repaired as required by AD 2000–09–13.

In addition, the current wiring configuration can rub on the components in the fuel boost pump area and cause consequent damage.

*What Are The Consequences if the Condition Is Not Corrected?*

If not detected, corrected, and prevented, damage to the insulation of the wiring within the fuel tanks of the fuel quantity indication system could result in the following:

—damage to the fuel boost pump;

—a malfunction in the cockpit indicators and/or electrical sparking inside the fuel tank; and

—a consequent fire or explosion.

*Is There Service Information That Applies to This Subject?*

British Aerospace has issued Jetstream Service Bulletin 28–JM8226, Original Issue: March 11, 2002.

*What Are the Provisions of This Service Information?*

The service bulletin includes procedures for:

—inspecting the fuel boost pump area for damage and replacing any damaged component;

—replacing the fuel quantity indication system wiring harness with improved design parts; and

—rerouting the wiring harness installation.

*What Action Did the CAA Take?*

The CAA classified this service bulletin as mandatory and issued CAA AD 001–03–2002 in order to ensure the continued airworthiness of these airplanes in the United Kingdom.

*Was This in Accordance With the Bilateral Airworthiness Agreement?*

This airplane model is manufactured in the United Kingdom and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement.

Pursuant to this bilateral airworthiness agreement, the CAA has kept FAA informed of the situation described above.

## The FAA's Determination and an Explanation of the Provisions of This Proposed AD

*What Has FAA Decided?*

The FAA has examined the findings of the CAA; reviewed all available information, including the service information referenced above; and determined that:

—the unsafe condition referenced in this document exists or could develop on other British Aerospace Jetstream Model 3201 airplanes of the same type design that are on the U.S. registry;

—the actions specified in the previously-referenced service information should be accomplished on the affected airplanes; and

—AD action should be taken in order to correct this unsafe condition.

*What Would This Proposed AD Require?*

This proposed AD would supersede AD 2000–09–13 and would:

—retain the actions of AD 2000–09–13;

—require you to inspect the fuel boost pump area for damage and replace any damaged component; and

—require you to replace the fuel quantity indication system wiring harness with improved design parts and reroute the wiring harness installation.

## Cost Impact

*How Many Airplanes Would This Proposed AD Impact?*

We estimate that this proposed AD affects 200 airplanes in the U.S. registry.

*What Would Be the Cost Impact of This Proposed AD On Owners/Operators of the Affected Airplanes?*

We estimate the following costs to accomplish the proposed inspection and replacement:

| Labor cost | Parts cost | Total cost per airplane | Total cost on U.S. operators |
|---|---|---|---|
| 130 workhours × $60=$7,800 | $1,200 per airplane | $9,000 | $9,000 × 200 = $1,800,000. |

The FAA has no method of determining the number of repairs each owner/operator would incur based on the results of the proposed inspections. We have no way of determining the number of airplanes that may need such repair. The extent of damage would vary on each airplane.

## Compliance Time of this Proposed AD

*Why Are Certain Compliance Times Presented in Calendar Time Instead of Hours Time-in-Service (TIS)?*

Certain compliance times in this proposed AD are presented in calendar time instead of hours TIS because the unsafe condition specified by this proposed AD is caused by wire insulation deterioration and wear. While this is a direct result of airplane operation, it is not necessarily due to the number of times or hours the airplane is used. The current fuel quantity wiring configuration allows for the potential for rubbing. This rubbing on the ''equipment grade'' wiring could

lead to damaged wiring more quickly than ''aircraft grade'' wiring, and frays and nicks could lead to wiring deterioration regardless of whether the airplane is operated.

Therefore, to ensure that the unsafe condition specified in this proposed AD does not go undetected for a long period of time, the compliance is presented in calendar time instead of hours TIS. This will also allow the owners/operators to work the proposed actions into regularly scheduled maintenance.

The proposed AD, if followed with a final rule, would require both the installation of ''aircraft grade'' wiring and a rerouting of the wiring to prevent future rubbing.

## Regulatory Impact

*Would This Proposed AD Impact Various Entities?*

The regulations proposed herein would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this proposed rule would not have federalism implications under Executive Order 13132.

*Would This Proposed AD Involve a Significant Rule or Regulatory Action?*

For the reasons discussed above, I certify that this proposed action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

## List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

## The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

## PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

### § 39.13 [Amended]

2. FAA amends § 39.13 by removing Airworthiness Directive (AD) 2000–09–13, Amendment 39–11722 (65 FR 30863, May 15, 2000) and adding a new AD to read as follows:

**BRITISH AEROSPACE:** Docket No. 2002–CE–25–AD. Supersedes AD 2000–09–13, Amendment 39–11722.

(a) *What airplanes are affected by this AD?* This AD affects Jetstream Model 3201 airplanes, all serial numbers, that are certificated in any category.

(b) *Who must comply with this AD?* Anyone who wishes to operate any of the airplanes identified in paragraph (a) of this AD must comply with this AD.

(c) *What problem does this AD address?* The actions specified by this AD are intended to detect, correct, and prevent damage to the insulation of the wiring within the fuel tanks of the fuel quantity indication system. If not detected, corrected, and prevented, such damaged wiring could result in damage to the fuel boost pump and a malfunction in the cockpit indicators and/or electrical sparking inside the fuel tank with consequent fire or explosion.

(d) *What actions must I accomplish to address this problem?* To address this problem, you must accomplish the following:

| Actions | Compliance | Procedures |
|---|---|---|
| (1) Inspect the fuel quantity indication system for damage to the insulation of the wiring within the fuel tanks. Damage is defined as corrosion (indicated by a dark stain), cuts, or nicks. | At whichever of the following occurs first, unless already accomplished: within the next 200 hours time-in-service (TIS) after June 23, 2000 (the effective date AD 2000–09–13); or on or before August 21, 2000 (60 days after the effective date of AD 2000–09–13). | In accordance with either British Aerospace Jetstream Alert Service Bulletin 28–A–JA990841, Original Issue: September 8, 1999; or British Aerospace Jetstream Alert Service Bulletin 28–A–JA990841, Original Issue: September 8, 1999, Revision No. 1: November 12, 1999. |
| (2) Replace or repair any damaged wiring ..... | Prior to further flight after the inspection required by paragraph (d)(1) of this AD. | In accordance with either British Aerospace Jetstream Alert Service Bulletin 28–A–JA990841, Original Issue: September 8, 1999; or British Aerospace Jetstream Alert Service Bulletin 28–A–JA990841, Original Issue: September 8, 1999, Revision No. 1: November 12, 1999. |
| (3) Inspect the fuel boost pump area for damage and replace any damaged component. | Inspect within the next 12 months after the effective date of this AD, unless already accomplished Replace any damaged component prior to further flight after the inspection. | In accordance with British Aerospace Jetstream Service Bulletin 28–JM8226, Original Issue: March 11, 2002. |
| (4) Replace the fuel quantity indication system wiring harness with improved design parts and reroute the wiring harness installation This replacement incorporates Jetstream Modification JM8226. | Within the next 12 months after the effective date of this AD, unless already accomplished. | In accordance with British Aerospace Jetstream Service Bulletin 28–JM8226, Original Issue: March 11, 2002. |
| (5) Only install a fuel quantity indication system wiring harness that incorporates Jetstream Modification JM8226 (or FAA-approved equivalent parts). | As of the effective date of this AD ..... | Not applicable. |

(e) *Can I comply with this AD in any other way?* You may use an alternative method of compliance or adjust the compliance time if:

(1) Your alternative method of compliance provides an equivalent level of safety; and

(2) The Standards Office Manager, Small Airplane Directorate, approves your alternative. Submit your request through an FAA Principal Maintenance Inspector, who may add comments and then send it to the Standards Office Manager.

**Note 1:** This AD applies to each airplane identified in paragraph (a) of this AD, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (e) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if you have not eliminated the unsafe condition, specific actions you propose to address it.

(f) *Where can I get information about any already-approved alternative methods of compliance?* Contact Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4059; facsimile: (816) 329–4090.

(g) *What if I need to fly the airplane to another location to comply with this AD?* The FAA can issue a special flight permit under sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate your airplane to a location where you can accomplish the requirements of this AD.

(h) *How do I get copies of the documents referenced in this AD?* You may get copies of the documents referenced in this AD from British Aerospace Regional Aircraft, Prestwick International Airport, Ayrshire, KA9 2RW, Scotland; telephone: (01292) 672345; facsimile: (01292) 671625. You may view these documents at FAA, Central Region, Office of the Regional Counsel, 901 Locust, Room 506, Kansas City, Missouri 64106.

(i) *Does this AD action affect any existing AD actions?* This amendment supersedes AD 2000–09–13, Amendment 39–11722.

**Note 2:** The subject of this AD is addressed in CAA AD 001–03–2002, as specified in British Aerospace Jetstream Service Bulletin 28–JM8226, Original Issue: March 11, 2002.

Issued in Kansas City, Missouri, on August 2, 2002.

**Dorenda D. Baker,**

*Acting Manager, Small Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 02–20137 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–13–P

## DEPARTMENT OF COMMERCE

## National Oceanic and Atmospheric Administration

## 15 CFR Part 930

**[Docket No. 020422093–2093]**

**RIN 0648–AP98**

## Procedural Changes to the Federal Consistency Process

**AGENCY:** Office of Coastal Resource Management (OCRM), National Ocean Service (NOS), National Oceanic Atmospheric Administration (NOAA), Department of Commerce (Commerce).

**ACTION:** Extension of public comment period.

**SUMMARY:** On July 2, 2002, the National Oceanic and Atmospheric Administration (NOAA) published an Advanced Notice of Proposed Rulemaking (ANPR) to evaluate whether limited and specific procedural changes or guidance to the existing Coastal Zone Management Act (CZMA) Federal consistency regulations are needed. The public comment period was to expire on September 3, 2002. This document extends the public comment period on the ANPR until October 3, 2002.

**DATES:** Comments on the ANPR will be considered if mailed on or before October 3, 2002.

**ADDRESSES:** All comments concerning these proposed regulations should be mailed to David W. Kaiser, Federal Consistency Coordinator, Office of Ocean and Coastal Resource Management (N/ORM3), 1305 East-West Highway, 11th Floor, Silver Spring, MD 20910.

**FOR FURTHER INFORMATION CONTACT:** David M. Kaiser, Federal Consistency Coordinator, Office of Ocean and Coastal Resource Management (N/ORM3), 1305 East-West Highway, 11th Floor, Silver Spring, MD 20910. Telephone: 301–713–3155, extension 144.

**SUPPLEMENTARY INFORMATION:** On July 2, 2002, (67 FR 44407), NOAA published an ANPR to evaluate whether limited and specific procedural changes or guidance to the existing CZMA Federal consistency regulations are needed to improve efficiencies in the Federal consistency procedures and Secretarial appeals process, particularly for energy development on the Outer Continental Shelf. The ANPR requested public comment on the need for limited and specific changes or guidance on what such changes or guidance should be. The public comment period was set to expire on September 3, 2002. During the comment period, NOAA received a request from several entities to extend the time for public comment on the ANPR. NOAA has decided to extend the original 60-day comment period to 90 days. The time for the public to submit comments on the ANPR now ends on October 3, 2002.

Dated: August 1, 2002.

**Margaret A. Davidson,**

*Acting Assistant Administrator for Ocean Services and Coastal Zone Management.*

[FR Doc. 02–19900 Filed 8–8–02; 8:45 am]

BILLING CODE 3510–08–M

## DEPARTMENT OF THE TREASURY

## Customs Service

## 19 CFR Part 12

**RIN 1515–AD15**

## Entry of Certain Steel Products

**AGENCY:** U.S. Customs Service, Department of the Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document proposes to amend the Customs Regulations to set forth special requirements for the entry of certain steel products. The steel products in question are those listed by the President in Proclamation 7529 of March 5, 2002, pursuant to the safeguard provisions of section 203 of the Trade Act of 1974, including those products subject to country exceptions and product exclusions. The proposed amendment would require the inclusion of an import license number on the entry summary documentation filed with Customs for any steel product for which the U.S. Department of Commerce requires an import license under its steel licensing and import monitoring program.

**DATES:** Comments must be submitted on or before September 9, 2002.

**ADDRESSES:** Written comments are to be addressed to the U.S. Customs Service, Office of Regulations and Rulings, Attention: Regulations Branch, 1300 Pennsylvania Avenue NW., Washington, DC 20229. Submitted comments may be inspected at U.S. Customs Service, 799 9th Street NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Patty Fitzpatrick, Office of Field Operations (202–927–1106).

**SUPPLEMENTARY INFORMATION:**

### Background

On March 5, 2002, President Bush signed Proclamation 7529 ''To Facilitate Positive Adjustment to Competition

From Imports of Certain Steel Products,'' which was published in the **Federal Register** (67 FR 10553) on March 7, 2002. The Proclamation was issued under section 203 of the Trade Act of 1974, as amended (19 U.S.C. 2253), and was in response to determinations by the U.S. International Trade Commission (ITC) under section 202 of the Trade Act of 1974, as amended (19 U.S.C. 2252), that certain steel products were being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat of serious injury, to the domestic industries producing like or directly competitive articles. The action taken by the President in the Proclamation consisted of the implementation of certain ''safeguard measures,'' specifically, the imposition of a tariff-rate quota on imports of specified steel slabs and an increase in duties on other specified steel products. The Proclamation included an Annex setting forth appropriate modifications to the Harmonized Tariff Schedule of the United States (HTSUS) to effectuate the President's action. The modifications to the HTSUS, which involved Subchapter III of Chapter 99 and included the addition of a new U.S. Note 11 and the addition of numerous new subheadings to cover the affected steel products, were made effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after March 20, 2002.

On March 5, 2002, the President issued a Memorandum to the Secretary of the Treasury, the Secretary of Commerce, and the United States Trade Representative entitled ''Action Under Section 203 of the Trade Act of 1974 Concerning Certain Steel Products,'' which also was published in the **Federal Register** (67 FR 10593) on March 7, 2002. The Memorandum included an instruction to the Secretary of the Treasury and the Secretary of Commerce to establish a system of import licensing to facilitate the monitoring of imports of certain steel products. In addition, the Memorandum instructed the Secretary of Commerce, within 120 days of the effective date of the safeguard measures established by Proclamation 7529, to publish regulations in the **Federal Register** establishing the system of import licensing.

On July 18, 2002, the International Trade Administration of the Department of Commerce published in the **Federal Register** (67 FR 47338) a proposed rule to establish a steel licensing and surge monitoring system as instructed by the President in the March 5, 2002, Memorandum. Under the Commerce proposal, all importers of steel products covered by the President's section 203 action, including those products subject to country exemptions or product exclusions, would be required to obtain a steel import license and to provide the license information (that is, the license number) to Customs except in the case of merchandise which is eligible for informal entry under § 143.21 of the Customs Regulations (19 CFR 143.21). Commerce proposes to institute a registration system for steel importers, and steel import licenses would be issued to registered importers, customs brokers or their agents through an automatic steel import licensing system. Once registered, an importer or broker would submit the required license application information electronically to Commerce, and the system would then automatically issue a steel import license number for inclusion on the entry summary documentation filed with Customs.

Primary responsibility for the steel product import licensing and monitoring rests with the Secretary of Commerce. The Secretary of the Treasury, through the U.S. Customs Service, is responsible for the promulgation and administration of regulations regarding making entry of the subject merchandise into the United States. Accordingly, this document proposes to amend the Customs Regulations to provide an appropriate regulatory basis for the collection of the steel import license number on the entry summary documentation in accordance with the proposed regulatory standards promulgated by the Department of Commerce. The proposed amendment set forth in this document consists of the addition of a new § 12.145 (19 CFR 12.145) which requires the inclusion of a steel import license number on the entry summary in any case in which a steel import license number is required to be obtained under regulations promulgated by the Department of Commerce.

It should be noted that failure to provide the required steel import license number to Customs on a timely basis would constitute a breach of the terms of the importer's bond under § 113.62 of the Customs Regulations (19 CFR 113.62) and therefore could give rise to a claim for liquidated damages under the bond equal to the value of the merchandise involved in the default. However, a claim for liquidated damages under a Customs bond may be reduced or cancelled in accordance with mitigation guidelines published pursuant to section 623 of the Tariff Act of 1930, as amended (19 U.S.C. 1623). After new § 12.145 has been adopted as a final rule, Customs will publish appropriate guidelines under section 623. It is presently contemplated that those guidelines will include circumstances in which liquidated damage claims in these cases may be reduced to $50 for a late filing of the required information or to $100 in the case of a complete failure to file the information.

**Comments**

Before adopting this proposed regulation as a final rule, consideration will be given to any written comments timely submitted to Customs, including comments on the clarity of this proposed rule and how it may be made easier to understand. Comments submitted will be available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552), § 1.4 of the Treasury Department Regulations (31 CFR 1.4), and § 103.11(b) of the Customs Regulations (19 CFR 103.11(b)), on regular business days between the hours of 9:00 a.m. and 4:30 p.m. at the Office of Regulations and Rulings, U.S. Customs Service, 799 9th Street, NW., Washington, DC. Arrangements to inspect submitted comments should be made in advance by calling Mr. Joseph Clark at (202) 572–8768.

**Executive Order 12866**

This document does not meet the criteria for a ''significant regulatory action'' as specified in E.O. 12866.

**Regulatory Flexibility Act**

Pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is certified that, if adopted, the proposed amendment will not have a significant economic impact on a substantial number of small entities. Customs believes that the proposed amendment, which involves the addition of only one data element to an existing required Customs form, will have a negligible impact on importer operations. Accordingly, the proposed amendment is not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604.

**Paperwork Reduction Act**

The collections of information in the current regulations have already been approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) and assigned OMB control number 1515–0065 (Entry summary and continuation sheet). This rule does not involve any material

change to the existing approved information collection.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by OMB.

### Drafting Information

The principal author of this document was Francis W. Foote, Office of Regulations and Rulings, U.S. Customs Service. However, personnel from other offices participated in its development.

### List of Subjects in 19 CFR Part 12

Bonds, Customs duties and inspection, Entry of merchandise, Imports, Prohibited merchandise, Reporting and recordkeeping requirements, Restricted merchandise.

### Proposed Amendment to the Regulations

For the reasons stated above, it is proposed to amend Part 12 of the Customs Regulations (19 CFR Part 12) as set forth below.

## PART 12—SPECIAL CLASSES OF MERCHANDISE

1. The authority citation for Part 12 continues to read in part as follows:

**Authority:** 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 23, Harmonized Tariff Schedule of the United States (HTSUS)), 1624;

* * * * *

2. A new center heading and new § 12.145 are added to read as follows:

### Steel Products

#### § 12.145 Entry of certain steel products.

Except in the case of merchandise that is eligible for informal entry under § 143.21 of this chapter, in any case in which a steel import license number is required to be obtained under regulations promulgated by the U.S. Department of Commerce, that license number must be included on the entry summary, Customs Form 7501, or on an electronic equivalent.

**Robert C. Bonner,**

*Commissioner of Customs.*

Approved: August 6, 2002.

**Timothy E. Skud,**

*Deputy Assistant Secretary of the Treasury.*

[FR Doc. 02–20165 Filed 8–8–02; 8:45 am]

BILLING CODE 4820–02–P

## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

### 23 CFR Part 630

**[FHWA Docket No. FHWA–2001–11130]**

**RIN 2125–AE29**

## Work Zone Safety

**AGENCY:** Federal Highway Administration (FHWA), DOT.

**ACTION:** Notice of public meetings.

**SUMMARY:** The FHWA published an Advance Notice of Proposed Rulemaking (ANPRM) on February 6, 2002 (67 FR 5532), to obtain comments on the current work zone safety regulation. The purpose of the ANPRM was to seek comments regarding improvements that can be made to its regulation on Traffic Safety in Highway and Street Work Zones to better address work zone mobility and safety concerns. On June 6, 2002, the comment period closed, and the FHWA began to analyze the comments provided. This meeting is being held to highlight the reasons for the ANPRM, present a summary of the comments received, and discuss, based on the comments received, the possible impacts that a rulemaking might have on the current regulation.

**DATES:** The meetings will be held Thursday, August 29, Thursday, September 19, and Wednesday, September 25, 2002 from 10:00 to 2:00 p.m.

**ADDRESSES:** Cambridge Systematics, 4445 Willard Avenue, Suite 300, Chevy Chase, MD 20815. Telephone: (301) 347–0100 and Fax: (301) 347–0101.

**FOR FURTHER INFORMATION CONTACT:** Materials associated with this meeting may be examined at the office of Cambridge Systematics, 4445 Willard Avenue, Suite 300, Chevy Chase, MD 20815. Persons needing further information or who request to speak at this meeting should contact Mike Harris at PB Farradyne, Inc. by telephone at (703) 742–5759 or by Fax at (703) 742–5989. The U.S. DOT contact is Scott Battles, FHWA, 400 Seventh Street, SW., Washington, D.C. 20590, (202) 366–4372. Office hours are from 7:45 a.m. to 4:15 p.m., e.t., Monday through Friday, except for legal holidays.

**SUPPLEMENTARY INFORMATION:**

### Electronic Access

An electronic copy of this document may be downloaded by using a computer, modem, and suitable communications software from the Government Printing Office's Electronic Bulletin Board Service at (202) 512–1661. Internet users may reach the Office of the Federal Register's home page at: *http:// www.nara.gov/fedreg* and the Government Printing Office's web site at *http://www.access.gpo.gov.*

**Authority:** 23 U.S.C. 106, 109, 115, 315, 320, and 402(a); 23 CFR 1.32; 49 CFR 1.48; sec. 1051, Pub. L. 102–240, 105 Stat. 2001; sec. 358(b), Pub. L. 104–59, 109 Stat. 625.

Issued on: August 6, 2002.

**Gary E. Maring,**

*Director, Office of Freight Management and Operations.*

[FR Doc. 02–20249 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–22–P

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 49

**[Docket #: A–2000–25; FRL–7254–3]**

**RIN 2012–AA01**

## Federal Implementation Plans Under the Clean Air Act for Indian Reservations in Idaho, Oregon and Washington

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule; notice to re-open the public comment period and to hold a public hearing.

**SUMMARY:** Today, EPA is re-opening the public comment period on EPA's notice of proposed rulemaking ''Federal Implementation Plans (FIPs) under the Clean Air Act (CAA) for Indian Reservations in Idaho, Oregon, and Washington,'' published March 15, 2002 at 67 FR 11748. The original 90-day public comment period closed on June 13, 2002 but several commenters requested additional time to provide comments on the proposal and one commenter requested a public hearing. In response to these requests, EPA will re-open the comment period and provide an additional 60 days for interested and affected parties to submit comments. The new comment period will close on October 10, 2002. In addition, EPA will hold a public hearing to receive comments on the proposed rule on September 10, 2002, beginning at 7 p.m. Pacific Daylight Time (PDT) at the Liberty Theater in Toppenish, WA. All comments received by EPA during the public comment period will be considered in the final rulemaking.

**DATES:** *Comments.* Comments must be received or postmarked no later than October 10, 2002. *Public Hearing.* A public hearing will be held on September 10, 2002, beginning at 7 p.m. PDT at the Liberty Theater in

Toppenish, WA. Additional requests for a public hearing must be received by EPA no later than August 23, 2002.

**ADDRESSES:** *Comments.* Written comments should be addressed to: David Bray, Office of Air Quality (OAQ–107), U.S. EPA Region 10, 1200 Sixth Avenue, Seattle, WA 98101–1128. Comments may also be submitted by e-mail to ''*bray.dave@epa.gov.*'' Please cite the administrative docket, #A–2000–25, upon which you are providing comment.

*Public Hearing.* The hearing on September 20, 2002 will take place at 7 p.m. PDT at the Liberty Theater, 211 S. Toppenish Avenue, Toppenish, WA.

*Docket.* Docket A–2000–25, containing all information supporting this action is available for public inspection and copying between 8:30 a.m. and 5:30 p.m. Eastern Daylight Time at EPA's Central Docket Section, Office of Air and Radiation, Room 1500 (M–6102), 401 M Street, SW., Washington, DC 20460. EPA's Central Docket Section is scheduled to move between August 12 and August 27, and material will not be available for viewing in Washington, DC, during this time. After August 27, 2002, the docket will be available for public inspection and copying between 8:30 a.m. and 5:30 p.m. Eastern Daylight Time at EPA's Air and Radiation Docket and Information Center, 1301 Constitution Avenue, NW., Room B108, Mail Code 6102T, Washington DC 20460. The docket is also available between 8:30 a.m. and 3:30 p.m. PDT at EPA Region 10, Office of Air Quality, 10th Floor, 1200 Sixth Avenue, Seattle, Washington 98101. A reasonable fee may be charged for copies. A copy of the March 15, 2002 proposed rule and all comments submitted as of June 13, 2002, are available at the Toppenish Library, 1 South Elm, Toppenish, WA 98948 during regular library hours.

*Web site.* Information on this proposed rulemaking is also available on EPA Region 10's Web site at: *www.epa.gov/r10earth/tribalairrules.htm.*

**FOR FURTHER INFORMATION CONTACT:** David Bray, Office of Air Quality (OAQ–107), U.S. EPA Region 10, 1200 Sixth Avenue, Seattle, WA 98101–1128, (206) 553–4253.

**SUPPLEMENTARY INFORMATION:** On March 15, 2002 (67 FR 11748), EPA solicited public comment on its proposal to promulgate Federal Implementation Plans (FIPs) under the Clean Air Act (CAA) for 39 Indian reservations in Idaho, Oregon, and Washington. The FIPs would include basic air quality regulations for the protection of communities on those Indian reservations. These rules would be implemented and enforced by EPA. EPA received requests to extend the public comment period to allow more time to review the proposal and to prepare comments. EPA also received a request on behalf of the residents of the Yakama Indian Reservation to hold a public hearing.

As a result of the requests to extend the public comment period, EPA is re-opening the comment period for 60 days. All comments received or postmarked by October 10, 2002 will be considered in the development of a final rule. A copy of all comments, including the requests to extend the public comment period, have been placed into the docket and may be reviewed during normal business hours at the locations listed above. Interested parties are invited to comment on all aspects of EPA's March 15, 2002 proposal. Comments should be addressed to David Bray at the address listed above. EPA also invites interested parties to provide comments at a public hearing to be held on September 10, 2002 at 7 p.m. PDT at the Liberty Theater in Toppenish, WA.

Dated: July 24, 2002.

**L. John Iani,**

*Regional Administrator, Region 10.*

[FR Doc. 02–19440 Filed 8–8–02; 8:45 am]

BILLING CODE 6560–50–P

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## ENVIRONMENTAL PROTECTION AGENCY

## 40 CFR Part 52

**[NC93–200122a; FRL–7206–8]**

## Approval and Promulgation of Implementation Plans North Carolina: Approval of Revisions to The Open Burning Regulations Within the Forsyth County Local Implementation Plan

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The EPA is proposing to approve the Local Implementation Plan (LIP) revision submitted by the Forsyth County Environmental Affairs Department, through the State of North Carolina, for the purpose of amending regulations relating to open burning, transportation conformity, and the general provisions section of the Air Quality Permits subchapter. In the Final Rules section of this **Federal Register**, the EPA is approving the Forsyth county LIP revision as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no significant, material, and adverse comments are received in response to this rule, no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this rule. The EPA will not institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

**DATES:** Written comments must be received on or before September 9, 2002.

**ADDRESSES:** All comments should be addressed to: Randy Terry at the EPA, Region 4 Air Planning Branch, 61 Forsyth Street, SW., Atlanta, Georgia 30303–8960.

Copies of the State submittal(s) are available at the following addresses for inspection during normal business hours:

Environmental Protection Agency, Region 4, Air Planning Branch, 61 Forsyth Street, SW., Atlanta, Georgia 30303–8960. Randy Terry, 404/562–9032.

Forsyth County Environmental Affairs Department, 537 North Spruce Street, Winston-Salem, North Carolina 27101.

North Carolina Department of Environment and Natural Resources, 512 North Salisbury Street, Raleigh, North Carolina 27604.

**FOR FURTHER INFORMATION CONTACT:** Randy B. Terry at 404/562–9032, or by electronic mail at *terry.randy@epa.gov.*

**SUPPLEMENTARY INFORMATION:** For additional information see the direct final rule which is published in the Rules section of this **Federal Register**.

Dated: April 1, 2002.

**A. Stanley Meiburg,**

*Acting Regional Administrator, Region 4.*

[FR Doc. 02–20226 Filed 8–8–02; 8:45 am]

BILLING CODE 6560–50–P

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## ENVIRONMENTAL PROTECTION AGENCY

## 40 CFR Part 271

**[FRL–7256–6]**

## Rhode Island: Final Authorization of State Hazardous Waste Management Program Revisions

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The State of Rhode Island has applied to EPA for Final authorization of the changes to its hazardous waste program under the Resource Conservation and Recovery Act (RCRA). EPA proposes to grant final authorization to Rhode Island. In the ''Rules and Regulations'' section of this **Federal Register**, EPA is authorizing the changes by an immediate final rule. EPA did not make a proposal prior to the immediate final rule because we believe this action is not controversial and do not expect comments that oppose it. We have explained the reasons for this authorization in the preamble to the immediate final rule. Unless we get written comments which oppose this authorization during the comment period, the immediate final rule will become effective on the date it establishes, and we will not take further action on this proposal. If we get comments that oppose this action, we will withdraw the immediate final rule and it will not take effect. We will then respond to public comments in a later final rule based on this proposal. You may not have another opportunity for comment. If you want to comment on this action, you must do so at this time.

**DATES:** Send your written comments by September 9, 2002.

**ADDRESSES:** Send any written comments to Robin Biscaia, EPA New England, One Congress Street, Suite 1100 (CHW), Boston, MA 02114–2023; telephone: (617) 918–1642. Copies of the State of Rhode Island's revision application and the materials which EPA used in evaluating the revision (the ''Administrative Record'') are available for inspection and copying during normal business hours at the following locations: Rhode Island Department of Environmental Management, Office of Technical and Customer Assistance, 235 Promenade Street, Providence, RI 02908–5767, business hours: 8:30 a.m. to 4 p.m., telephone: (401) 222–6822; or EPA New England Library, One Congress Street, 11th Floor, Boston, MA 02114–2023, business hours: 10 a.m. to 3 p.m., Monday through Thursday, telephone: (617) 918–1990.

**FOR FURTHER INFORMATION CONTACT:** Robin Biscaia, Hazardous Waste Unit, Office of Ecosystems Protection, EPA New England, One Congress Street, Suite 1100 (CHW), Boston, MA 02114–2023, telephone: (617) 918–1642.

**SUPPLEMENTARY INFORMATION:** For additional information, please see the immediate final rule published in the ''Rules and Regulations'' section of this **Federal Register**.

Dated: July 6, 2002.

**Robert W. Varney,**

*Regional Administrator, EPA New England.*

[FR Doc. 02–19980 Filed 8–8–02; 8:45 am]

BILLING CODE 6560–50–P

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## DEPARTMENT OF TRANSPORTATION

## Coast Guard

## 46 CFR Part 67

**[USCG 2001–8825]**

**RIN 2115–AG08**

## Vessel Documentation: Lease Financing for Vessels Engaged in the Coastwise Trade

**AGENCY:** Coast Guard, DOT.

**ACTION:** Supplemental notice of proposed rulemaking.

**SUMMARY:** The Coast Guard proposes to amend its regulations on the documentation of vessels engaged in the coastwise trade. These proposals address statutory amendments eliminating certain barriers to seeking foreign financing by lease for U.S.-flag vessels. These proposals would clarify the information needed to determine the eligibility of a vessel financed in this manner for a coastwise endorsement.

**DATES:** Comments and related material must reach the Docket Management Facility on or before October 8, 2002.

Comments sent to the Office of Management and Budget (OMB) on collection of information must reach OMB on or before October 8, 2002.

**ADDRESSES:** To make sure that your comments and related material are not entered more than once in the docket, please submit them by only one of the following means:

(1) By mail to the Docket Management Facility (USCG–2001–8825), U.S. Department of Transportation, room PL–401, 400 Seventh Street SW., Washington, DC 20590–0001.

(2) By delivery to room PL–401 on the Plaza level of the Nassif Building, 400 Seventh Street SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202–366–9329.

(3) By fax to the Docket Management Facility at 202–493–2251.

(4) Electronically through the Web Site for the Docket Management System at *http://dms.dot.gov.*

You must also mail comments on collection of information to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street NW., Washington, DC 20503, ATTN: Desk Officer, U.S. Coast Guard.

The Docket Management Facility maintains the public docket for this rulemaking. Comments and material received from the public, as well as documents mentioned in this preamble as being available in the docket, will become part of this docket and will be available for inspection or copying at room PL–401 on the Plaza level of the Nassif Building, 400 Seventh Street SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also find this docket on the Internet at *http://dms.dot.gov.*

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this proposed rule, call Patricia Williams, Deputy Director, National Vessel Documentation Center, Coast Guard, telephone 304–271–2506. If you have questions on viewing or submitting material to the docket, call Dorothy Beard, Chief, Dockets, Department of Transportation, telephone 202–366–9329.

**SUPPLEMENTARY INFORMATION:**

### Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related material. If you do so, please include your name and address, identify the docket number for this rulemaking (USCG–2001–8825), indicate the specific section of this document to which each comment applies, and give the reason for each comment. You may submit your comments and material by mail, hand delivery, fax, or electronic means to the Docket Management Facility at the address under **ADDRESSES**; but please submit your comments and material by only one means. If you submit them by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit them by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period. We may change this proposed rule in view of them.

### Public Meeting

We do not now plan to hold a public meeting. But you may submit a request for one to the Docket Management Facility at the address under **ADDRESSES** explaining why one would be beneficial. If we determine that one would aid this rulemaking, we will hold

one at a time and place announced by a later notice in the **Federal Register**.

**Regulatory History**

On May 2, 2001, we published a notice of proposed rulemaking (NPRM) entitled ''Vessel Documentation: Lease-Financing for Vessels Engaged in the Coastwise Trade'' in the **Federal Register** (66 FR 21902). This supplemental notice of proposed rulemaking (SNPRM) provides further opportunity for public comment. This SNPRM is necessary to better align the proposed rule with the applicable statute, its legislative history, and the existing vessel documentation regulations and to provide for vessels that have already received coastwise endorsements under the lease-financing statute. The specific proposed changes to the NPRM are discussed later in this preamble.

**What Happens to the Comments Already Submitted?**

The proposed changes to the NPRM are technical in nature and are intended primarily for alignment and clarification purposes. They are not made in response to any of the many comments received to the NPRM. All comments on the NPRM and SNPRM that are submitted to the docket will be carefully considered before a final rule is published. If the changes in this SNPRM do not affect the comments that you have already submitted to the docket, there is no need to re-submit them. This will help members of the public who read the comments to avoid having to review duplicate sets.

**Background and Purpose**

In 1996, Congress amended the vessel documentation laws to promote lease financing of vessels engaged in the coastwise trade (section 1113(d) of Public Law 104–324, the Coast Guard Authorization Act of 1996; 46 U.S.C. 12106(e)) (''the 1996 Act''). Lease financing has become a very common way to finance capital assets in the maritime industry. Under lease financing, ownership of the vessel is in the name of the lessor, with a demise charter to the charterer of the vessel. (A ''demise charter'' or ''bareboat charter'' is an agreement in which the charterer assumes the responsibility for operating, crewing, and maintaining the vessel as if the charterer owned it.) Many vessel operators choose to acquire or build vessels through lease financing, instead of the traditional mortgage financing, because of possible cost benefits. But, until the 1996 Act, operators were prevented from obtaining this financing from U.S. companies that are less than 75 percent U.S. owned because the leasing company had to be a U.S. citizen under section 2 of the Shipping Act, 1916, (46 U.S.C. app. 802), which requires at least 75 percent U.S. ownership. This situation severely restricted the source of available capital.

Under section 1113(d) of the 1996 Act, Congress eliminated this technical impediment to vessel financing by adding a new paragraph (e) to 46 U.S.C. 12106. Under 46 U.S.C. 12106(e), Congress authorized the Secretary of Transportation (since delegated to the Commandant of the Coast Guard) to issue coastwise endorsements if (1) the vessel is eligible for documentation; (2) the vessel's owner, the parent of the owner, or subsidiary of the parent of the owner is primarily engaged in leasing or other financing transactions; (3) the vessel is under a demise charter to a person certifying that the person is a U.S. citizen eligible to engage in coastwise trade under section 2 of the Shipping Act, 1916; and (4) the demise charter is for at least 3 years (or less under proposed § 67.20(a)(11)).

According to the legislative history for the 1996 Act (see House Conference Report No. 104–854; Public Law 104–324; 1996 U.S. Code Congressional and Administrative News, p. 4323)(Conference Report), Congress intended to broaden the sources of capital for owners of U.S. vessels engaged in the coastwise trade by creating new lease-financing options. At the same time, Congress did not intend to undermine the basic principle of U.S. maritime law that vessels operated in domestic trades must be built in shipyards in the U.S. and be operated and controlled by U.S. citizens, which is vital to U.S. military and economic security. In that report, Congress directed the Coast Guard to establish the necessary regulations to administer 46 U.S.C. 12106(e), including the filing of demise charters for vessels issued a coastwise endorsement under that provision.

**Purpose for this Supplemental Notice of Proposed Rulemaking**

This supplemental notice of proposed rulemaking (SNPRM) is necessary for the following reasons:

1. To more closely align the proposed rule with the 1996 Act, the Conference Report, and existing vessel documentation regulations.

2. To address endorsements issued under the lease-financing section of the 1996 Act before the effective date of the final rule.

3. To align, for clarity, similar provisions within this proposed rule.

The SNPRM is not intended as a response to the comments received on the preceding NPRM. All comments on the NPRM and SNPRM that are submitted to the docket will be carefully considered before a final rule is published.

**Discussion of the Proposed Changes to the NPRM**

In this section, we discuss only the changes we have made to the notice of proposed rulemaking (NPRM). For a discussion of the unchanged provisions, see the ''Discussion of the Proposed Regulations'' section in the preamble to the NPRM (66 FR 21903).

*Section 67.3—Definitions.* 1. In the definitions for the terms ''parent'' and ''subsidiary'', the words ''more than 50 per cent'', concerning ownership and control, have been changed to read ''at least 50 percent''. This aligns these definitions with similar definitions elsewhere in the Coast Guard's vessel documentation regulations (*e.g.*, 46 CFR 68.01–1).

2. The NPRM had separate definitions for the words ''entity'' and ''person''. ''Person'' was defined as an individual or entity. In the SNPRM, the definition of ''entity'' is combined with that for ''person'', as is currently done in existing 46 CFR 67.3. This avoids unintentionally excluding, for example, individuals as possible owners.

3. In the definition for ''primarily engaged in leasing or other financing transactions'', the NPRM used ''banking or similar financing transactions''. This is narrower than the wording in the Conference Report and the policy being applied by the National Vessel Documentation Center (as described on page 21903 of the preamble to the NPRM). The SNPRM replaces these words with ''banking, investing, leasing, or other financing transactions''.

*Section 67.20—Coastwise endorsement for a vessel under a demise charter.* 1. The section heading is changed to delete ''and that is owned by a lease-financing company and is'' because the element of ownership is addressed in paragraph (a)(3) of this section.

2. In paragraph (a), the ''(e)'' following ''46 U.S.C. 12106'' is deleted because there are other criteria for eligibility for a coastwise endorsement, such as ''U.S.-built'' in section 12106(a), that are not found in section 12106(e).

3. In paragraph (a)(2), the words ''The vessel is considered built in the United States under § 67.97'' are replaced with the words ''The vessel is eligible for a coastwise endorsement under § 67.19(c)''. This change is needed to include the non-U.S.-built vessels listed

in § 67.19(c) that are also eligible for coastwise endorsement.

4. In paragraph (a)(3), the words ''and not in vessel operations or management'' are deleted from the SNPRM. These words are confusing because they make it seem as if the parent or subsidiaries of the parent may not be engaged primarily in the direct operation or management of vessels. Page 4326 of the Conference Report states that it is only the owner that may not primarily engage in the direct operation or management of vessels. Therefore, a new paragraph (a)(5) is added to require that only the owner must not be primarily engaged in the direct operation or management of vessels.

5. A new paragraph (a)(4) is added to align this section with the requirement for applications in § 67.147 (a)(1)(i) of the NPRM that the entity that owns the vessel be organized under the laws of the United States or of a State.

6. Paragraph (a)(4) in the NPRM required that the majority of the aggregate revenues of an owner, the parent, or a subsidiary of the parent not be derived from the operation or management of vessels. However, the Conference Report states that it is the majority of the aggregate revenues of the whole group (*i.e.*, the owner, the parent, and all subsidiaries of the parent), not that of individual members of the group, that must not be derived from the operation or management of vessels. New paragraph (a)(7) has been aligned with the Conference Report.

7. Under paragraph (a)(5) of the NPRM, on the subject of the operation or management of commercial, foreign-flag vessels, the owner, parent, or subsidiary of the parent must not be primarily engaged in the operation or management of the vessels. However, under the Conference Report, it is the group that includes the person, the parent, and all subsidiaries of the parent that must not be primarily engaged in the operation or management of the vessels. New paragraph (a)(8) has been aligned with the Conference Report.

8. Paragraph (b) is new. It is a ''grandfather'' provision that addresses the coastwise endorsements issued under the lease-financing provision since the passage of the 1996 Act. It would allow these endorsements to continue to be eligible for renewal as long as the certificate of documentation is not subject to exchange under § 67.167(b)(1) through (b)(3) or to deletion under § 67.171(a)(1) through (a)(6) or § 67.173. These provisions deal with substantial changes, such as changes in the ownership or flag nation of the vessel. If the vessel became subject to these provisions and the owner chose to again seek a coastwise endorsement under the lease-financing provisions, the owner would no longer be eligible under this grandfather provision, but would have to apply under the regulations applicable to non-grandfathered endorsements.

*Section 67.147—Application procedure: Coastwise endorsement for a vessel under a demise charter.* 1. The heading of this section is changed for the reasons discussed under § 67.20 in this preamble.

2. Section 67.147 is reorganized to better align it with § 67.20.

3. Paragraph (a)(1)(i) in the NPRM limited the person that must be primarily engaged in leasing or other financing transactions to the owner. However, the 1996 Act allows the owner, the parent, or a subsidiary of the parent to be so engaged. Paragraph (a)(1)(i) of the SNPRM is changed accordingly.

4. For a complete explanation of the changes to this section, see the preceding discussion of the corresponding changes to § 67.20.

*Section 67.167—Requirement for exchange of Certificate of Documentation.* 1. Paragraph (c) lists situations in which the Certificate of Documentation and all endorsements to it become invalid. Therefore, these provisions are similar to those discussed above but are set out in the negative.

2. For a discussion of the changes to paragraph (c)(10)(iii), see the discussion under § 67.20(a)(3) in this preamble.

3. For a discussion of the changes to paragraph (c)(10)(iv), see the discussion under § 67.20(a)(4) (new (a)(7)) in this preamble.

4. For a discussion of the changes to paragraph (c)(10)(v), see the discussion under § 67.20(a)(5) (new (a)(8)) in this preamble.

5. Paragraph (c)(11) is a new grandfather provision. For a discussion of these provisions, see the discussion under § 67.20(b) in this preamble.

*Section 67.179—Application procedure: Coastwise operation of a barge under a demise charter.* 1. The changes to paragraphs (a)(1)(i) through (a)(1)(v) in this section correspond to the changes to similar provisions in §§ 67.20 and 67.147.

2. This section is reorganized to better align it with §§ 67.20 and 67.147.

## Assessment

Due to substantial public interest since the NPRM was published, this proposed rule has been reclassified as a ''significant regulatory action'' under section 3(f) of Executive Order 12866, Regulatory Planning and Review. The Office of Management and Budget has reviewed it under that Order. It requires an assessment of potential costs and benefits under section 6(a)(3) of that Order. It is ''significant'' under the regulatory policies and procedures of the Department of Transportation (DOT) (44 FR 11040, February 26, l979). A draft Assessment is available in the docket as indicated under **ADDRESSES**. A summary of the Assessment follows:

The changes to the NPRM more closely align the SNPRM with the 1996 Act, the legislative history, and the existing vessel documentation regulations. The lease-finance provisions are intended to broaden the sources of capital for owners of vessels engaged in coastwise trade.

Several changes resulting from alignment with the 1996 Act and the Conference Report would increase the universe of owners eligible for the lease-financing option due to the increased the number of sources for financing. (See § 67.20 (a)(3) through (a)(5) in the NPRM and § 67.20 (a)(3) and (a)(5) through (a)(8) in the SNPRM.) For example, § 67.20(a)(3) in the NPRM excluded owners with a parent or subsidiary of the parent that is primarily engaged in vessel operations or management. However, under the Conference Report, the parent or subsidiary of the parent may be so engaged (as long as the group also meets the restrictions in the Report on aggregate revenues and foreign vessel ownership).

The new Coast Guard estimate for the number of entities opting to apply for coastwise endorsements under the amended lease-finance provisions is approximately 35 annually.

There are no mandatory costs associated with this rulemaking. The costs imposed on those who choose to take advantage of lease financing would include the costs of preparing and submitting the documents required in § 67.147 for vessels and § 67.179 for barges. Those costs would vary from applicant to applicant and would probably be the same for vessels and barges. For further information on those costs, see the section on ''Collection of Information'' in this preamble.

## Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), we have considered whether this supplemental notice of proposed rulemaking (SNPRM) would have a significant economic impact on a substantial number of small entities. The term ''small entities'' comprises small businesses, not-for-profit organizations that are independently owned and operated and are not

dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The SNPRM would affect vessel owners and charterers who choose to take advantage of the lease-financing option. This option reduces the burden on owners by enabling them to obtain the cheapest financing available anywhere in the world. Under the SNPRM, to take advantage of the lease-financing option, the vessel owner and charterer must submit affidavits and a copy of their demise charter to the NVDC. The estimated cost of preparing and submitting this material would be minimal and is discussed further under ''Collection of Information'' in this preamble. Companies would tend to choose lease financing only if they expect its costs to be offset by increased profits.

Therefore, the Coast Guard certifies under 5 U.S.C. 605(b) that this proposed rule would not have a significant economic impact on a substantial number of small entities. If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this rule would have a significant economic impact on it, please submit a comment to the Docket Management Facility at the address under **ADDRESSES**. In your comment, explain why you think it qualifies and how and to what degree this rule would economically affect it.

**Assistance for Small Entities**

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121), we want to assist small entities in understanding this proposed rule so that they can better evaluate its effects on them and participate in the rulemaking. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please consult Patricia Williams, Deputy Director, National Vessel Documentation Center (NVDC), Coast Guard, telephone 304–271–2506.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247).

**Collection of Information**

This supplemental notice of proposed rulemaking (SNPRM) would call for a collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). As defined in 5 CFR 1320.3(c), ''collection of information'' comprises reporting, recordkeeping, monitoring, posting, labeling, and other, similar actions. The title and description of the information collections, a description of those who must collect the information, and an estimate of the total annual burden follow. The estimate covers the time for reviewing instructions, searching existing sources of data, gathering and maintaining the data needed, and completing and reviewing the collection. This estimate applies to the documents to be submitted under §§ 67.147 and 67.179. This collection would change the previously approved burden under Control Number OMB 2115–0110.

*Title:* Vessel Documentation: Lease Financing for Vessels Engaged in the Coastwise Trade.

*Summary of the Collection of Information:* This supplemental notice of proposed rulemaking (SNPRM) in §§ 67.147 and 67.179, would amend the collection-of-information requirements for vessel owners and charterers applying to engage in the coastwise trade under the lease-financing provisions of 46 U.S.C. 12106(e). These provisions would require modifying the burden in the previously approved OMB Collection 2115–0110.

*Need for Information:* The Coast Guard needs this information to determine whether an entity meets the statutory requirements.

*Proposed Use of Information:* The Coast Guard would use this information to determine whether an entity meets the statutory requirements.

*Number of Respondents:* Approximately 35 entities a year, including charter amendments and sub-charters.

*Frequency of Response:* Whenever an entity seeks to qualify to engage in the coastwise trade under 46 U.S.C. 12106(e), a qualified entity amends the charter, or the demise charterer sub-charters the vessel by demise charter.

*Burden of Response:* The burden resulting from this proposed rule would arise from the requirements in §§ 67.147 and 67.179 that affidavits be prepared and submitted, along with a copy of the demise charter, to the NVDC. We estimate that it would take a total of 12 hours to prepare the affidavits and make the submissions. As for the per-hour cost to accomplish this administrative task, we estimate that it could be as low as $67 per hour. We expect most, if not all, of the applicants to use law firms to accomplish these tasks, even though the proposed rule would not require their use. Hourly cost for legal assistance could be substantially higher. To align our estimates more closely with industry practice, we used $167 per hour for a total of $2,004 per application.

*Estimate of Total Annual Burden:* The annual hour burden for industry is 12 hours per application x 35 applications per year for a total of 420 hours per year. The annual cost burden for industry is $420 hours per year x $167 per hour (the higher of the two figures discussed above) for a total of $70,140 per year.

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), we have submitted a copy of this proposed rule to the Office of Management and Budget (OMB) for its review of the collection of information.

We ask for public comment on the proposed collection of information to help us determine how useful the information is; whether it can help us perform our functions better; whether it is readily available elsewhere; how accurate our estimate of the burden of collection is; how valid our methods for determining burden are; how we can improve the quality, usefulness, and clarity of the information; and how we can minimize the burden of collection.

If you submit comments on the collection of information, submit them both to OMB and to the Docket Management Facility where indicated under **ADDRESSES,** by the date under **DATES.**

You need not respond to a collection of information unless it displays a currently valid control number from OMB. Before the requirements for this collection of information become effective, we will publish notice in the **Federal Register** of OMB's decision to approve, modify, or disapprove the collection.

**Federalism**

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on State or local governments and would either preempt State law or impose a substantial direct cost of compliance on them. We have analyzed this proposed rule under that Order and have determined that it does not have implications for federalism.

**Unfunded Mandates Reform Act**

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of

their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of $100,000,000 or more in any one year. Though this proposed rule would not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

**Taking of Private Property**

This proposed rule would not effect a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

**Civil Justice Reform**

This proposed rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

**Protection of Children**

We have analyzed this proposed rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not concern an environmental risk to health or risk to safety that may disproportionately affect children.

**Indian Tribal Governments**

This proposed rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it would not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

To help the Coast Guard establish regular and meaningful consultation and collaboration with Indian and Alaskan Native tribes, we published a notice in the **Federal Register** (66 FR 36361, July 11, 2001) requesting comments on how to best carry out the Order. We invite your comments on how this proposed rule might impact tribal governments, even if that impact may not constitute a ''tribal implication'' under the Order.

**Energy Effects**

We have analyzed this proposed rule under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a ''significant energy action'' under that order, although it is considered a ''significant regulatory action'' under Executive Order 12866. We expect that this rulemaking will not have any significant adverse effect on the supply, distribution, or use of energy, including a shortfall in supply, price increases, and increased use of foreign supplies. Furthermore, it has not been designated by the Administrator of the Office of Information and Regulatory Affairs as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

We request your comments to assist us in identifying any likely significant adverse effects this proposed rule may have on the supply, distribution, or use of energy. Submit your comments to the Docket Management Facility at the address under **ADDRESSES**.

**Environment**

We have considered the environmental impact of this proposed rule and concluded that, under figure 2–1, paragraph (34)(d), of Commandant Instruction M16475.lD, this rule is categorically excluded from further environmental documentation. This proposed rulemaking is administrative in nature and identifies the information necessary to apply for a coastwise endorsement under 46 U.S.C. 12106(e). A ''Categorical Exclusion Determination'' is available in the docket where indicated under **ADDRESSES**.

**List of Subjects in 46 CFR Part 67**

Reporting and recordkeeping requirements, Vessels.

For the reasons discussed in the preamble, the Coast Guard proposes to amend 46 CFR part 67 as follows:

## PART 67—DOCUMENTATION OF VESSELS

1. The authority citation for part 67 is revised to read as follows:

**Authority:** 14 U.S.C. 664; 31 U.S.C. 9701; 42 U.S.C. 9118; 46 U.S.C. 2103, 2107, 2110, 12106, 12120, 12122; 46 U.S.C. app. 841a, 876; 49 CFR 1.45, 1.46.

2. In § 67.3, revise the definition for the term ''person''; and add, in alphabetical order, definitions for the terms ''parent'', ''primarily engaged in leasing or other financing transactions'', and ''subsidiary'' to read as follows:

**§ 67.3 Definitions.**

* * * * *

*Parent* means any person that directly or indirectly owns or controls at least 50 percent of another person.

*Person* means an individual; corporation; partnership; limited liability partnership; limited liability company; association; joint venture; trust arrangement; and the government of the United States, a State, or a political subdivision of the United States or a State; and includes a trustee, beneficiary, receiver, or similar representative of any of them.

*Primarily engaged in leasing or other financing transactions* means that more than 50 percent of the aggregate revenue of a person is derived from banking, investing, leasing, or other financing transactions.

* * * * *

*Subsidiary* means a person at least 50 percent of which is directly or indirectly owned or controlled by another person.

* * * * *

3. Add § 67.20 to read as follows:

**§ 67.20 Coastwise endorsement for a vessel under a demise charter.**

(a) Except as under paragraph (b) of this section, to be eligible for a coastwise endorsement under 46 U.S.C. 12106, a vessel under a demise charter must meet the following:

(1) The vessel is eligible for documentation under 46 U.S.C. 12102.

(2) The vessel is eligible for a coastwise endorsement under § 67.19(c) and has not lost coastwise eligibility under § 67.19(d).

(3) The person that owns the vessel, a parent of that person, or a subsidiary of a parent of that person is primarily engaged in leasing or other financing transactions.

(4) The person that owns the vessel is organized under the laws of the United States or of a State.

(5) The person that owns the vessel is not primarily engaged in the direct operation or management of vessels.

(6) The ownership of the vessel is primarily a financial investment without the ability and intent to control the vessel's operations by a person not primarily engaged in the direct operation or management of vessels.

(7) The majority of the combined aggregate revenues of the person that owns the vessel, the parent of that person, and all subsidiaries of the parent of that person is not derived from the operation or management of one or more vessels.

(8) The group that includes the person that owns the vessel, the parent of that person, and all subsidiaries of the parent of that person is not primarily engaged in the operation or management of commercial, foreign-flag vessels used for the carriage of cargo for parties unrelated to the vessel's owner or charterer.

(9) The person that owns the vessel has transferred to a qualified United States citizen under 46 U.S.C. app. 802 full possession, control, and command of a U.S.-built vessel through a demise charter in which the demise charterer is considered the owner *pro hac vice* during the term of the charter.

(10) The charterer must certify to the Director, National Vessel Documentation Center, that the charterer is a citizen of the United States for engaging in the coastwise trade under 46 U.S.C. app. 802.

(11) The demise charter is for a period of at least 3 years, unless a shorter period is authorized by the Director, National Vessel Documentation Center, under circumstances such as—

(i) When the vessel's remaining life would not support a charter of 3 years; or

(ii) To preserve the use or possession of the vessel.

(b) A vessel under a demise charter that was eligible for, and received, a document with a coastwise endorsement under § 67.19 and 46 U.S.C. 12106(e) before [The effective date of the final rule.] may continue to operate under that endorsement on and after that date and may renew the document and endorsement if the certificate of documentation is not subject to—

(1) Exchange under § 67.167(b)(1) through (b)(3); or

(2) Deletion under §§ 67.171(a)(1) through (a)(6) or 67.173.

(c) To apply for a coastwise endorsement for a vessel under a demise charter, see § 67.147.

**§ 67.35 [Amended]**

4. In § 67.35, at the end of paragraph (c), add the words ''or the vessel qualifies under § 67.20''.

5. In § 67.36, revise paragraphs (c)(1) and (c)(2) to read as follows:

**§ 67.36 Trust.**

* * * * *

(c) * * *

(1) It meets the requirements of paragraph (a) of this section and at least 75 percent of the equity interest in the trust is owned by citizens; or

(2) It meets the requirements of § 67.20.

6. In § 67.39, revise paragraphs (c)(1) and (c)(2) to read as follows:

**§ 67.39 Corporation.**

* * * * *

(c) * * *

(1) It meets the requirements of paragraph (a) of this section and at least 75 percent of the stock interest in the corporation is owned by citizens; or

(2) It meets the requirements of § 67.20.

* * * * *

7. Add § 67.147 to read as follows:

**§ 67.147 Application procedure: Coastwise endorsement for a vessel under a demise charter.**

(a) In addition to the items under § 67.141, the person that owns the vessel (other than a barge under § 67.179) and that seeks a coastwise endorsement under § 67.20 must submit the following to the National Vessel Documentation Center:

(1) A certification, in the form of an affidavit and supported with documentation, from an officer of the person that owns the vessel certifying the following:

(i) That the person that owns the vessel, the parent of that person, or a subsidiary of a parent of that person is primarily engaged in leasing or other financing transactions.

(ii) That the person that owns the vessel is organized under the laws of the United States or a State.

(iii) That the person that owns the vessel is not primarily engaged in the direct operation or management of vessels.

(iv) That ownership of the vessel is primarily a financial investment without the ability and intent to control the vessel's operations by a person not primarily engaged in the direct operation or management of vessels.

(v) That the majority of the combined aggregate revenues of the person that owns the vessel, the parent of that person, and all subsidiaries of the parent of that person is not derived from the operation or management of one or more vessels.

(vi) That the group that includes the person that owns the vessel, the parent of that person, and all subsidiaries of the parent of that person is not primarily engaged in the operation or management of commercial, foreign-flag vessels used for the carriage of cargo for parties unrelated to the vessel's owner or charterer.

(vii) That the person that owns the vessel has transferred to a qualified United States citizen under 46 U.S.C. app. 802 full possession, control, and command of the U.S.-built vessel through a demise charter in which the demise charterer is considered the owner *pro hac vice* during the term of the charter.

(2) A copy of the charter.

(b) The charterer must submit the following to the National Vessel Documentation Center:

(1) A certificate certifying that the charterer is a citizen of the United States for the purpose of engaging in the coastwise trade under 46 U.S.C. app. 802.

(2) Detailed citizenship information in the format of form CG–1258, Application for Documentation, section G, citizenship. The citizenship information may be attached to the form CG–1258 that is submitted under § 67.141 and must be signed by, or on behalf of, the charterer.

(c) Whenever a charter under paragraph (a) of this section is amended, the vessel owner must file a copy of the amendment with the Director, National Vessel Documentation Center, within 10 days after the effective date of the amendment.

(d) Whenever the charterer of a vessel under paragraph (a) of this section demise charters the vessel to a sub-charterer—

(1) The charterer must file a copy of the sub-charter with the Director, National Vessel Documentation Center, within 10 days after the effective date of the sub-charter; and

(2) The sub-charterer must provide detailed citizenship information in the format of form CG–1258, Application for Documentation, section G, citizenship.

(e) A person that submits a false certification under this section is subject to penalty under 46 U.S.C. 12122.

8. In § 67.167, in paragraph (c)(8), remove the last ''or''; in paragraph (c)(9), remove the period and add, in its place, a semicolon; and add paragraphs (c)(10) and (c)(11) to read as follows:

**§ 67.167 Requirement for exchange of Certificate of Documentation.**

* * * * *

(c) * * *

(10) Except for a vessel with a coastwise endorsement under 46 U.S.C. 12106(e) that was in effect before [the effective date of the final rule.]—

(i) The demise charter expires or is transferred to another charterer;

(ii) The citizenship of the charterer or sub-charterer changes to the extent that they are no longer qualified for a coastwise endorsement;

(iii) Neither the person that owns the vessel, nor the parent of that person, nor any subsidiary of the parent of that person is primarily engaged in leasing or other financing transactions;

(iv) The majority of the combined aggregate revenues of the person that owns the vessel, the parent of that person, and all subsidiaries of the parent of that person is derived from the operation or management of one or more vessels; or

(v) The group that includes the person that owns the vessel, the parent of that person, and all subsidiaries of the

parent of that person becomes primarily engaged in the operation or management of foreign-flag vessels used for the carriage of cargo unrelated to the vessel's owner or charterer; or

(11) For a vessel with a coastwise endorsement under 46 U.S.C. 12106(e) that was in effect before [the effective date of the final rule.]—

(i) The demise charter expires or is transferred to another charterer;

(ii) The citizenship of the charterer or sub-charterer changes to the extent that they are no longer qualified for a coastwise endorsement;

(iii) Neither the person that owns the vessel, nor the parent of that person, nor a subsidiary of the parent of that person is primarily engaged in leasing or other financing transactions;

* * * * *

9. Add § 67.179 to subpart M to read as follows:

**§ 67.179 Application procedure: Coastwise operation of a barge under a demise charter.**

(a) The person that owns a barge qualified to engage in coastwise trade under the lease-financing provisions of 46 U.S.C. 12106(e) must submit the following to the National Vessel Documentation Center:

(1) A certification, in the form of an affidavit and supported with documentation, from an officer of the person that owns the barge certifying the following:

(i) That the person that owns the barge, the parent of that person, or a subsidiary of the parent of that person is primarily engaged in leasing or other financing transactions.

(ii) That the person that owns the barge is organized under the laws of the United States or a State.

(iii) That the person that owns the barge is not primarily engaged in the direct operation or management of vessels.

(iv) That ownership of the barge is primarily a financial investment without the ability and intent to control the barge's operations by a person not primarily engaged in the direct operation or management of the barge.

(v) That the majority of the combined aggregate revenues of the person that owns the barge, the parent of that person, and all subsidiaries of the parent of that person is not derived from the operation or management of one or more vessels.

(vi) That the group that includes the person that owns the barge, the parent of that person, and all subsidiaries of the parent of that person is not primarily engaged in the operation or management of commercial, foreign-flag vessels used for the carriage of cargo for parties unrelated to the barge's owner or charterer.

(vii) That the person that owns the barge has transferred to a qualified United States citizen under 46 U.S.C. app. 802 full possession, control, and command of the U.S.-built barge through a demise charter in which the demise charterer is considered the owner *pro hac vice* for the term of the charter.

(viii) That the barge is qualified to engage in the coastwise trade and that it is owned by a person eligible to own vessels documented under 46 U.S.C. 12106(e).

(2) A copy of the charter.

(b) The charterer must submit the following to the National Vessel Documentation Center:

(1) A certificate certifying that the charterer is a citizen of the United States for engaging in the coastwise trade under 46 U.S.C. app. 802.

(2) Detailed citizenship information in the format of form CG–1258, Application for Documentation, section G, citizenship. The citizenship information must be signed by, or on behalf of, the charterer.

(c) Whenever a charter under paragraph (a) of this section is amended, the barge owner must file a copy of the amendment with the Director, National Vessel Documentation Center, within 10 days after the effective date of the amendment.

(d) Whenever the charterer of a barge under paragraph (a) of this section demise charters the barge to a sub-charterer—

(1) The charterer must file a copy of the sub-charter with the Director, National Vessel Documentation Center, within 10 days after the effective date of the sub-charter; and

(2) The sub-charterer must provide detailed citizenship information in the format of form CG–1258, Application for Documentation, section G, citizenship.

(e) A person that submits a false certification under this section is subject to penalty under 46 U.S.C. 12122.

Dated: March 28, 2002.

**Paul J. Pluta,**

*Rear Admiral, U.S. Coast Guard, Assistant Commandant for Marine Safety, Security and Environmental Protection.*

[FR Doc. 02–20244 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–15–P

# Notices

Federal Register

Vol. 67, No. 154

Friday, August 9, 2002

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF AGRICULTURE

### Center for Nutrition Policy and Promotion; Agency Information Collection Activities; Proposed Collection; Comment Request-Interactive Healthy Eating Index Questionnaire

**AGENCY:** Center for Nutrition Policy and Promotion, USDA.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, this notice invites the general public and other public agencies to comment on a proposed information collection. This notice announces the Center for Nutrition Policy and Promotion's intention to request the Office of Management and Budget approval of the information collection instrument to be used to survey users of the Interactive Healthy Eating Index, an on-line dietary self-assessment tool. The information collected will be used to improve the quality and usability of the Interactive Healthy Eating Index.

**DATES:** Written comments on this notice must be submitted on or before October 8, 2002.

**ADDRESSES:** Comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to P. Peter Basiotis, Director, Nutrition Policy and Analysis, Center for Nutrition Policy and Promotion, U.S. Department of Agriculture, 3101 Park Center Drive, Room 1034, Alexandria, Virginia, 22302.

All responses to this notice will be summarized and included in the request for Office of Management and Budget (OMB) approval. All comments will also become a matter of public record.

**FOR FURTHER INFORMATION:** Requests for additional information should be directed to Shirley Gerrior, (703) 305–2563.

**SUPPLEMENTARY INFORMATION:**

*Title:* Interactive Healthy Eating Index Questionnaire.

*OMB Number:* Not yet assigned.

*Expiration Date:* Not applicable.

*Type of Request:* New collection of information.

*Abstract:* The Interactive Healthy Eating Index (IHEI) is an Internet based diet self-assessment tool. The IHEI translates scientifically based guidance into practical information and promotes nutrition education by increasing awareness of the quality of a person's diet. It allows users to input their daily food intakes and provides a quick summary measure of their overall diet quality in terms of current dietary guidance. Immediate feedback includes an overall Index score, 10 component scores, and nutrient intake information. Motivational nutrition messages tailored to user needs and a personalized graphical representation of the Food Guide Pyramid are generated based on user scores. The proposed questionnaire will collect information on the usability, clarity and quality of the IHEI Web site. The questionnaire will also obtain feedback on user interest and need for the addition of a personalized meal plan or suggested list of foods designed to improve a person's diet quality. Optional demographic, geographic location, income, and ethnicity information will also be obtained from survey respondents. The questionnaire will be available to IHEI users for a period of 30 days. The information collected will only be used by CNPP, USDA to enhance the usability of the IHEI, to make available pertinent and user-friendly information and personalized messages, and to ensure the continued quality service of the IHEI Web site.

*Affected Public:* The American Consumers.

*Estimated Number of Respondents:* 30,000 respondents (for a 30 day period based on average daily use by 2,000 individuals at a projected 50% response rate).

*Estimated Time Per Response:* 10 minutes.

*Estimated Number of Responses Per Respondent:* One.

*Estimated Total Annual Burden on Respondents:* 5,000 hours.

Dated: July 26, 2002.

**Steven N. Christensen,**

*Acting Executive Director, Center for Nutrition Policy and Promotion.*

[FR Doc. 02–20191 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–30–P

## DEPARTMENT OF AGRICULTURE

### Animal and Plant Health Inspection Service

**[Docket No. 98–054–2]**

### Environmental Impact Statement Regarding Importation of Unmanufactured Wood Articles From Mexico

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Notice.

**SUMMARY:** On July 14, 2000, a notice of availability and request for comments was published in the **Federal Register** (65 FR 43748) for a draft environmental impact statement titled ''Proposed Rule for the Importation of Unmanufactured Wood Articles From Mexico, With Consideration for Cumulative Impact of Methyl Bromide Use.'' The draft environmental impact statement considered, among other things, the potential cumulative impact on the environment of methyl bromide use. In the time since the draft environmental impact statement was prepared, the U.S. Environmental Protection Agency has made available data on methyl bromide use through 1999. After review of the data and the draft environmental impact statement, we have determined that it is not necessary to supplement the draft environmental impact statement before a final environmental impact statement is issued. We expect the final environmental impact statement to incorporate APHIS' review of the data on methyl bromide consumption since the publication of the draft.

**DATES:** We will consider all comments that we receive on or before September 9, 2002.

**ADDRESSES:** You may submit comments by postal mail/commercial delivery or by e-mail. If you use postal mail/commercial delivery, please send four copies of your comment (an original and three copies) to: Docket No. 98–054–2, Regulatory Analysis and Development, PPD, APHIS, Station 3C71, 4700 River Road Unit 118, Riverdale, MD 20737–1238. Please state that your comment refers to Docket No. 98–054–2. If you use e-mail, address your comment to *regulations@aphis.usda.gov.* Your comment must be contained in the body of your message; do not send attached files. Please include your name and address in your message and ''Docket No. 98–054–2'' on the subject line.

You may read any comments that we receive on the environmental impact statement in our reading room. The reading room is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 690–2817 before coming.

APHIS documents published in the **Federal Register**, and related information, including the names of organizations and individuals who have commented on APHIS dockets, are available on the Internet at *http://www.aphis.usda.gov/ppd/rad/webrepor.html.*

**FOR FURTHER INFORMATION CONTACT:** Mr. David Bergsten, Biological Scientist, Environmental Services, PPD, APHIS, 4700 River Road Unit 149, Riverdale, MD 20737–1238; (301) 734–8565.

**SUPPLEMENTARY INFORMATION:**

## Background

Methyl bromide is a broad spectrum pesticide used as a fumigant to control insect pests, nematodes, weeds, and pathogens. The production, consumption, and trade of methyl bromide are regulated under the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer (the Montreal Protocol) and the Clean Air Act, as amended (42 U.S.C. 7401 *et seq.*).

The Montreal Protocol is an international treaty designed to reduce and eventually eliminate the emissions of man-made, ozone-depleting substances such as methyl bromide. The Montreal Protocol provides for a phaseout of methyl bromide production and consumption in developed countries, including the United States, by the year 2005 and in developing countries by the year 2015. However, the Montreal Protocol exempts quarantine and pre-shipment (QPS) uses of methyl bromide from these phaseout requirements. The Clean Air Act provides the basic framework to regulate air quality through air pollution control, and it has been amended to reflect changes in U.S. obligations under the Montreal Protocol.

On July 14, 2000, a notice of availability and request for comments was published in the **Federal Register** (65 FR 43748) for a draft environmental impact statement (EIS) titled ''Proposed Rule for the Importation of Unmanufactured Wood Articles From Mexico, With Consideration for Cumulative Impact of Methyl Bromide Use.'' The draft EIS considered the potential cumulative impact on the environment of methyl bromide use that could result if the proposed rule was adopted and discussed alternatives to the proposed rule, the environmental consequences of methyl bromide on the environment, and the potential cumulative impact of methyl bromide use associated with the proposed rule.

It has been nearly 2 years since the draft EIS was completed and made available for public comment. Since then, the U.S. Environmental Protection Agency (EPA) has posted on its website data on methyl bromide use through 1999.

The Council on Environmental Quality's regulations for implementing the National Environmental Policy Act (NEPA) provide, in part, that agencies shall prepare a supplement to a draft or final EIS if the agency makes substantial changes in the proposed action that are relevant to environmental concerns or if there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts (see 40 CFR 1502.9(c)). We have reviewed the EPA's data on methyl bromide use and found no significant new circumstances or information relevant to environmental concerns about methyl bromide. Therefore, we have determined that it is not necessary to supplement the draft EIS before a final EIS is issued. Indeed, our review indicates that the draft EIS's assessment of methyl bromide use patterns, now more fully documented, was realistic. A discussion of developments follows.

The draft EIS relied upon reviews completed in 1998 by the United Nations Environment Programme (UNEP) of methyl bromide use data through 1996. The EPA provides information on methyl bromide use as it becomes available. The most recent data available from the EPA present methyl bromide use through 1999. However, the data provided by the EPA are more limited than the 1996 data presented in the UNEP report. The information presented in the EPA tables is derived from multiple sources and is not consistent in numerical presentation among all tables. The EPA tables, however, do provide a good snapshot of annual changes in methyl bromide use patterns through 1999. Furthermore, the EPA data basically confirm estimates contained in the draft EIS, which assumed that current figures for use (in 1999) are slightly higher than those reported for 1996. These data support the draft EIS's assessment of methyl bromide use patterns.

The United States, among other countries (see Article 5 of the Montreal Protocol), is subject to phaseout of methyl bromide by 2005, except for QPS uses and critical exemption uses. The United States and other Article 5 countries were required to reduce their non-QPS production of methyl bromide in 1999 by at least 25 percent from production levels in 1991, the base year for all calculations. Although the United States met its obligations, some other Article 5 countries exceeded their production allowances. The actual reduction in methyl bromide use since 1991 was about 23 percent overall for the Article 5 countries (39,918 metric tons in 1991 to 30,741 metric tons in 1999). This reduction appears to be substantially in keeping with the phaseout goals, but the 1991 data may be misleading. The most recent figures for non-QPS uses by Article 5 countries shows a 2 percent increase over 3 years (30,032 metric tons in 1996 to 30,741 metric tons in 1999).

It is anticipated that the methyl bromide production phaseout requirements will ultimately reduce methyl bromide use, but the current patterns suggest a lag between intent to reduce and full compliance with the provisions of the Montreal Protocol. By 2015, most non-QPS use will cease and QPS use should be reduced substantially as cost-effective alternatives are developed. It is less clear how the critical-use exemptions allowed under the Montreal Protocol will affect the overall use of methyl bromide in the future. While modest changes in cumulative methyl bromide use are likely to come in time, the draft EIS's predictions, confirmed in recent data, suggest that the overall trend toward reductions in use will continue.

There is no new or additional scientific information or data that require reassessment of cumulative methyl bromide use or the effects of

such use on the quality of the human environment. Therefore, preparation of a supplemental draft EIS is not necessary at this time. We expect to issue a final EIS soon.

We welcome comments on our determination that it is not necessary to supplement the draft environmental impact statement before a final environmental impact statement is issued.

Done in Washington, DC, this 7th day of August 2002.

**Peter Fernandez,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 02–20295 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–34–U

## DEPARTMENT OF AGRICULTURE

## Commodity Credit Corporation

## Announcement of the Quality Samples Program for Fiscal Year 2002

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Notice.

**SUMMARY:** Commodity Credit Corporation is extending the time for submission of proposals for the FY 2002 Quality Samples Program. Proposals will be reviewed, and funding decisions will be made, as proposals are received.

**DATES:** Proposals will be accepted until 5 p.m. Eastern Daylight Time, September 16, 2002.

**FOR FURTHER INFORMATION CONTACT:** Marketing Operations Staff, Foreign Agricultural Service, U.S. Department of Agriculture, Room 4932–S, STOP 1042, 1400 Independence Ave., SW., Washington, DC 20250–1042, (202) 720–4327.

**SUPPLEMENTARY INFORMATION:**

### Introduction

On January 8, 2002, the Commodity Credit Corporation (CCC) announced in the **Federal Register** (67 FR 859) that proposals were being accepted for participation in the Fiscal Year (FY) 2002 Quality Samples Program (QSP). Based on its review of the proposals, CCC allocated approximately $1.34 million in funding in June 2002. Because approximately $1.16 million of the funds CCC made available in FY 2002 remain unallocated, CCC announces that it is extending the time period for submission of proposals to participate in the Fiscal Year 2002 Quality Samples Program (QSP).

The QSP is designed to encourage the development and expansion of export markets for U.S. agricultural commodities by assisting U.S. entities in providing commodity samples to potential foreign importers to promote a better understanding and appreciation for the high quality of U.S. agricultural commodities. CCC will review all proposals it receives against the evaluation criteria contained herein and award unallocated FY 2002 QSP funds on a rolling basis. Financial assistance will be made available through grants on a reimbursement basis.

Under the QSP, CCC enters into agreements with those entities whose proposals have been accepted. The QSP agreement between CCC and the participant will include the maximum amount of CCC funds that are available to reimburse specific activity costs that have been approved by CCC. QSP participants will be responsible for procuring (or arranging for the procurement of) commodity samples, exporting the samples, and providing the technical assistance necessary to facilitate successful use of the samples by importers. A QSP participant will be reimbursed after CCC reviews its reimbursement claim and determines that the claim is complete. CCC will not reimburse the costs of providing technical assistance. QSP agreements are subject to review and verification by the Foreign Agricultural Service's (FAS) Compliance Review Staff. Upon request, a QSP participant shall provide to CCC the original documents which support the participant's reimbursement claims. CCC may deny a claim for reimbursement if the claim is not supported by adequate documentation. Cash advances will not be made available to any QSP participant.

The QSP is administered by FAS personnel. This notice supersedes any prior notices concerning the QSP.

### Authority

The QSP is authorized under Section 5(f) of the CCC Charter Act, 15 U.S.C. 714c(f).

### Available Funds

$1.16 million of cost-share assistance may be obligated under this announcement.

### General Scope of QSP Projects

QSP projects are the activities undertaken by a QSP participant to provide an appropriate sample of a U.S. agricultural commodity to a foreign importers, in a given market. The purpose of the project is to provide information to an appropriate target audience regarding the attributes, characteristics, and proper use of the U.S. commodity. A QSP project addresses a single market/commodity combination. As a general matter, QSP projects should conform to the following guidelines:

- Projects should benefit the represented U.S. industry and not a specific company or brand;
- Projects should develop a new market for a U.S. product, promote a new U.S. product, or promote a new use for a U.S. product, rather than promote the substitution of one established U.S. product for another;
- Sample commodities provided under a QSP project must be in sufficient supply and available on a commercial basis;
- The QSP project must either subject the commodity sample to further processing or substantial transformation in the importing country, or the sample must be used in technical seminars designed to demonstrate to an appropriate target audience the proper preparation or use of the sample in the creation of an end product;
- Samples provided in a QSP project shall not be directly used as part of a retail promotion or supplied directly to consumers; and
- Samples shall be in quantities less than a typical commercial sale and limited to the amount sufficient to achieve the project goal (*e.g.,* not more than a full commercial mill run in the destination country).

QSP projects shall target foreign importers and target audiences who:

- Have not previously purchased the U.S. commodity which will be shipped under the QSP;
- Are unfamiliar with the variety, quality attribute, or end-use characteristic of the U.S. commodity which will be shipped under the QSP;
- Have been unsuccessful in previous attempts to import, process, and market the U.S. commodity which will be shipped under the QSP (*e.g.,* because of improper specification, blending, or formulation; or sanitary or phytosanitary (SPS) issues);
- Are interested in testing or demonstrating the benefits of the U.S. commodity which will be shipped under the QSP; or
- Need technical assistance in processing or using the U.S. commodity which will be shipped under the QSP.

### Features of the FY 2002 Program

Under this announcement, the number of projects per participant will not be limited; however, each specific project will be limited to $60,000 of QSP reimbursement. Projects comprised of technical preparation seminars; that is, projects that do not include further processing or substantial transformation; will remain limited to

$10,000 of QSP reimbursement, as these projects require smaller samples. Under the QSP, participants may be reimbursed for certain costs of purchasing and transporting commodity samples. Although providing technical assistance is required for all projects, costs of providing the actual technical assistance will not be reimbursed under the QSP.

**Proposal Process**

In order to be considered for participation in the QSP, interested parties should submit proposals to FAS as described in this notice. QSP proposals must contain complete information about the proposed projects. Applicants should follow the application procedures contained in this notice.

Entities interested in participating in the QSP are not required to submit proposals in any specific format; however, FAS recommends that proposals contain, at a minimum, the following: (a) Organizational information, including:

- Organization's name, address, Chief Executive Officer (or designee), and Federal Tax Identification Number (TIN);
- Type of organization;
- Name, telephone number, fax number, and e-mail address of the primary contact person;
- A description of the organization and its membership;
- A description of the organization's prior export promotion experience; and
- A description of the organization's experience in implementing an appropriate trade/technical assistance component;

(b) Market information, including:

- An assessment of the market;
- A long-term strategy in the market; and
- U.S. export value/volume and market share (historic and goals) for 1998–2004;

(c) Project information, including:

- A brief project title;
- Amount of funding requested;
- A brief description of the specific market development trade constraint or opportunity to be addressed by the project, performance measures for the years 2002–2004 which will be used to measure the effectiveness of the project, a benchmark performance measure for 2001, the viability of long term sales to this market, the goals of the project, and the expected benefits to the represented industry;
- A description of the activities planned to address the constraint or opportunity, including how the sample will be used in the end-use performance trial, the attributes of the sample to be demonstrated and their end-use benefit, and details of the trade/technical servicing component (including who will provide and who will fund this component);
- A sample description (*i.e.*, commodity, quantity, quality, type, and grade), including a justification for selecting a sample with such characteristics (this justification should explain in detail why the project could not be effective with a smaller sample);
- An itemized list of all estimated costs associated with the project for which reimbursement will be sought; and
- The importer's role in the project regarding handling and processing the commodity sample;

(d) Information indicating all funding sources and amounts to be contributed by each entity that will supplement implementation of the proposed project. This may include the organization that submitted the proposal, private industry entities, host governments, foreign third parties, CCC, FAS, or other Federal agencies. Contributed resources may include cash, goods, and services.

**Review Process**

Proposals will be evaluated by the applicable FAS commodity division. The divisions will review each proposal against the factors described below. The purpose of this review is to identify meritorious proposals, recommend an appropriate funding level for each proposal based upon these factors, and submit the proposals and funding recommendations to the Deputy Administrator, Commodity and Marketing Programs.

FAS will use the following criteria in evaluating proposals:

- The ability of the organization to provide an experienced staff with the requisite technical and trade experience to execute the proposal;
- The extent to which the proposal is targeted to a market in which the United States is generally competitive;
- The potential for expanding commercial sales in the proposed market;
- The nature of the specific market constraint or opportunity involved and how well it is addressed by the proposal;
- The extent to which the importer's contribution in terms of handling and processing enhances the potential outcome of the project;
- The amount of reimbursement requested and the organization's willingness to contribute resources, including cash and goods and services of the U.S. industry and foreign third parties; and
- How well the proposed technical assistance component assures that performance trials will effectively demonstrate the intended end-use benefit.

Highest priority for funding under this announcement will be given to meritorious proposals which target countries which meet either of the following criteria:

- Per capita income less than $9,265 (the ceiling on upper middle income economies as determined by the World Bank [World Development Indicators 2001]); and population greater than 1 million. Proposals may address suitable regional groupings, for example, the islands of the Caribbean Basin; or
- U.S. market share of imports of the commodity identified in the proposal of 10 percent or less.

**Agreements**

Following approval of a proposal, CCC will enter into an agreement with the organization that submitted the proposal. Agreements will incorporate the details of each project as approved by FAS. Each agreement will identify terms and conditions pursuant to which CCC will reimburse certain costs of each project. Agreements will also outline the responsibilities of the participant, including, but not limited to, procurement (or arranging for procurement) of the commodity sample at a fair market price, arranging for shipment of the commodity sample within the time limit specified in the agreement (organizations should endeavor to ship commodities within 6 months of effective date of agreement), compliance with cargo preference requirements (shipment on United States flag vessels, as required), compliance with the Fly American Act requirements (shipment on United States air carriers, as required), timely and effective implementation of technical assistance, and submission of a written evaluation report within 90 days of expiration of the agreement. Evaluation reports should address all performance measures that were presented in the proposal.

**Closing Date for Proposals**

To be considered for participation in the QSP, interested parties should submit, via a commercial delivery service (including FedEx, DHL, etc.), proposals to: Director, Marketing Operations Staff, Foreign Agricultural Service, U.S. Department of Agriculture, Room 4932–S, Stop 1042, 14th and Independence Avenue, SW., Washington, DC 20250–1042. All

proposals must be received by 5 p.m. Eastern Daylight Time, September 16, 2002.

Dated: July 23, 2002.

**A. Ellen Terpstra,**

*Administrator, Foreign Agricultural Service, and Vice President, Commodity Credit Corporation.*

[FR Doc. 02–20190 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–10–M

## DEPARTMENT OF AGRICULTURE

### Food and Nutrition Service

### Agency Information Collection Activities: Proposed Collection; Comment Request—Information Collection for the Special Milk Program for Children

**AGENCY:** Food and Nutrition Service, USDA.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, the Food and Nutrition Service announces its intention to request the Office of Management and Budget's (OMB) to extend approval of the information collection for the Special Milk Program for Children.

**DATES:** Comments on this notice must be received or postmarked by October 8, 2002.

**ADDRESSES:** Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical or other technological collection techniques or other forms of information technology. Comments and requests for copies of this information collection may be sent to Mr. Terry Hallberg, Chief, Program Analysis and Monitoring Branch, Child Nutrition Division, Food and Nutrition Service, USDA, 3101 Park Center Drive, Room 640, Alexandria, Virginia 22302.

All responses to this Notice will be summarized and included in the request for OMB approval, and will become a matter of public record.

**FOR FURTHER INFORMATION CONTACT:** Mr. Terry Hallberg at (703) 305–2600.

**SUPPLEMENTARY INFORMATION:**

*Title:* Special Milk Program.

*OMB Numbers:* 0584–0005.

*Expiration Date:* 8/31/02.

*Type of Request:* Extension of a currently approved collection.

*Abstract:* Section 3 of the Child Nutrition Act (CNA) of 1966 (Pub. L. 89–642, as amended; 42 U.S.C. 1772) authorizes the Special Milk Program (SMP). It provides for the appropriation of such sums as may be necessary to enable the Secretary of Agriculture, under such rules and regulations as she may deem in the public interest, to encourage the consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children, which do not participate in a food service program authorized under the CNA or the National School Lunch Act.

Section 10 of the CNA requires the Secretary of Agriculture to ''prescribe such regulations as she may deem necessary to carry out this Act and the National School Lunch Act. Pursuant to that provision, the Secretary has issued 7 CFR Part 215, which sets forth policies and procedures for the administration and operation of the SMP. State and local operators of the SMP are required to meet Federal reporting and accountability requirements. The vast majority of reporting relates to information regarding eligibility determinations of the children, the number of milk servings, and revenues received from milk sales. State and local operators are also required to maintain records regarding eligibility to operate the program, review results, and accounts of revenues and expenditures.

**Authority:** 42 U.S.C. 1772.

*Respondents:* The respondents are State agencies, school food authorities, schools, childcare institutions, and camps.

*Number of Respondents:* 58 State agencies, 6,762 School food authorities/Sponsors, 1,269 camps, and 6,695 Schools.

*Total Respondents:* 14,784.

*Number of Responses per Respondent:* The number of responses is estimated to be 4 responses per year.

*Estimated Annual Responses:* (4 × 14,784) = 59,136.

*Estimated Hours per Response:* 3.327 Hours.

*Estimated Total Annual Reporting Burden:* (59,136 × 3.327) = 196,745 Hours.

*Number of Recordkeepers:* 14,784.

*Estimated Number of Recordkeeping:* 59,136.

*Estimated Time per Recordkeeping:* 8.995 Hours.

*Estimated Total Annual Recordkeeping Burden:* (59,136 × 8.995) = 531,928 Hours.

*Total Request Annual Reporting and Recordkeeping Burden:* 728,673 Hours.

Dated: August 5, 2002.

**Roberto Salazar,**

*Administrator, Food and Nutrition Service.*

[FR Doc. 02–20171 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–30–P

## DEPARTMENT OF AGRICULTURE

### Forest Service

### Information Collection; National Forest Recreation Use

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice; request for comment.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, the Forest Service announces its intent to extend a previously approved information collection. The information collection is composed of two forms. The Forest Service uses these forms to estimate the amount and type of recreational use that occurs on National Forest System lands, to assess customer satisfaction and agency performance in meeting customer needs, and to evaluate the economic impact and value of recreation use of National Forest System lands. The collection also will help the Forest Service meet the requirements of the Government Performance and Results Act of 1993 and the National Forest Management Act of 1976. Information will be collected from people who visit National Forest System lands for recreational activities.

**DATES:** Comments must be received in writing on or before October 8, 2002.

**ADDRESSES:** All comments should be addressed to Donald B.K. English, Research Social Scientist, Forestry Sciences Laboratory, Forest Service, USDA, 320 Green St., Athens, GA 30602, or e-mail *denglish@fs.fed.us.*

The public may inspect comments at the offices of Donald English, Research Work Unit SRS–4901, Forest Service, USDA, 320 Green St., Athens, GA. Visitors are encouraged to call ahead, (706) 559–4268, to facilitate entry to the building.

**FOR FURTHER INFORMATION CONTACT:** Donald B.K. English, Forest Service

Southern Research Station, at (706) 559–4268.

**SUPPLEMENTARY INFORMATION:**

## Background

The Government Performance and Results Act of 1993 requires that Federal agencies establish measurable goals and monitor their success at meeting those goals. Two items the Forest Service will measure are: (1) the views and satisfaction level of recreational visitors to National Forest System lands about the types and quality of recreation services the agency provides; and (2) the number of visitors who come to National Forest System lands for recreation. The agency is often asked for this kind of information from a variety of organizations that include Congressional staffs, newspapers, magazines, and recreational trade organizations.

The currently approved information collection is composed of two different survey forms that are designed to evaluate agency performance in meeting the needs of visitors to individual recreation sites. One form is used to describe the visitors, their level of satisfaction, and their evaluation of the agency's performance. The other form is required to estimate the number of visitors who use National Forests for recreation. The second collection form differs in both the sampling framework and the set of questions asked of visitors.

National Forest System land managers use the collected information to better understand their recreational visitors, to improve recreational opportunities and services, and to identify barriers that prevent the agency from meeting the recreational needs of its customers. Data from this information collection also will be considered in revisions of land and resource management plans for National Forest System lands, as required by the National Forest Management Act of 1976. The collected information will be shared with all National Forest System land managers and, upon request, with others. Results from this collection will be published in agency reports and various research journals.

## Description of Information Collection

*Title:* Customer and Use Survey Techniques for Operations, Management, Evaluation, and Research.

*OMB Number:* 0596–0110.

*Expiration Date of Approval:* February 28, 2002.

*Type of Request:* Extension of a previously approved collection.

*Abstract:* The data from this information collection will provide the agency with information about the characteristics, needs, and opinions of recreation visitors to selected recreation sites on Forest Service and other public agency lands.

Agency personnel, contract personnel, and volunteers, trained in conducting face-to-face interviews, will contact people who are visiting public lands for recreational purposes. Survey questions will focus on how well the agency meets visitors' expectations for recreational opportunities, their satisfaction with the recreational site of their choice, and if they have concerns regarding the agency's management of the site.

Agency land managers will use the collected information to better understand their recreational customers, to improve recreational opportunities and services, and to identify barriers that prevent the agency from meeting the recreational needs of its customers.

The collected information will be shared with agency land managers and upon request, with others.

Data gathered in this collection is not available from other sources.

*Estimate of Burden:* 10 minutes.

*Type of Respondents:* People who visit National Forest System land for recreational purposes.

*Estimated Number of Respondents:* 6,000.

*Estimated Number of Responses per Respondent:* 1.

*Estimated Total Annual Burden on Respondents:* 1,000 hours.

## Description of Information Collection

*Title:* National Forest Visitor Use Monitoring.

*OMB Number:* 0596–0110.

*Expiration Date of Approval:* February 28, 2002.

*Type of Request:* Extension of a previously approved collection.

*Abstract:* Data from this information collection is used to estimate the numbers of recreational visitors to National Forests and Grasslands, and associated Wilderness, as well as the types of activities in which these visitors participate. The data are used to identify recreational markets, defined customers served, evaluate visitor satisfaction, and estimate the economic values and impacts of recreational visits.

Respondents are asked questions about the activities in which they participate while visiting National Forest System lands, the duration of their visit, how often they visit, what types of items they have purchased during their visit, and their satisfaction with various aspects of their visit.

Forest Service personnel will interview visitors as they exit National Forest System recreational sites. Surveys will be conducted on about one-fourth of the National Forests each year, so that complete coverage of agency lands will occur over a four-year cycle. Each National Forest will retain a copy of data collected on its visitors. Results of this study will be published in agency reports and various research journals.

Data gathered in this collection is not available from other sources.

*Estimate of Burden:* 8 minutes.

*Type of Respondents:* People who visit the National Forest System lands for recreational purposes.

*Estimated Number of Respondents:* 60,000.

*Estimated Number of Responses per Respondent:* 1.

*Estimated Total Annual Burden on Respondents:* 8,000 hours.

## Comment Is Invited

*The agency invites comments on the following:* (a) Whether the proposed collection of information is necessary for the stated purposes and the proper performance of the functions of the agency, including whether the information will have practical or scientific utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

## Use of Comment

All comments, including name and address when provided, will become a matter of public record. Comments received in response to this notice will be summarized and included in the request for Office of Management and Budget approval.

Dated: August 5, 2002.

**Robert Lewis, Jr.,**

*Deputy Chief, Research & Development.*

[FR Doc. 02–20219 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–11–P

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# DEPARTMENT OF AGRICULTURE

## Forest Service

## Plumas National Forest; California; Stream Fire Restoration Project

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of Intent to prepare an Environmental Impact Statement.

**SUMMARY:** The USDA, Forest Service, Plumas National Forest will prepare an Environmental Impact Statement (EIS) on a proposal to treat fuels on approximately 2,300 acres in the Stream Fire burned area. The Stream Fire burned 3,483 acres in July and August 2001, on the Plumas National Forest. The proposed action would implement long-term restoration of ecosystem function and reduce future fire severity. Reducing the risk of another stand replacing fire involves a combination of recurring fuel treatments to modify fire behavior and effective suppression. The proposed action would treat dead trees on approximately 2265 acres using the following methods: whole tree removal utilizing ground based, skyline, or helicopter logging methods, handpiling and burning of the piles, contour felling, and/or lopping/scattering of slash. Live and dead conifer trees less than 6 inches in diameter would be felled, handpiled and the piles burned on approximately 35 acres. Approximately 7 acres of helicopter landings would be constructed. Approximately 4 miles of temporary road would be constructed. Following completion of the project, the temporary roads would be closed and reforested. Approximately 1 mile of roads that were opened for fire suppression activities would be closed. Approximately 2300 acres would be reforested. The land allocations for the fire areas are Old Forest Emphasis, General Forest, and Threat Zone of the Urban Wildland Intermix.

The proposed action is designed to meet the standards and guidelines for land management activities depicted in the Plumas National Forest Land and Resource Management Plan (1988) as amended by the Record of Decision for the Herger-Feinstein Quincy Library Group Forest Recovery Act (1999), and as amended by the Record of Decision for the Sierra Nevada Forest Plan Amendment (2001).

The proposed project is located in Plumas County, California, within the Mt. Hough Ranger District of the Plumas National Forest in all or portions of Sections 15, 16, 20, 21, 22, 25, 26, 27, 28, and 29 of T27N, R12E., MDM.

**ADDRESSES:** Send written comments to Terri Simon-Jackson, Mt. Hough District Ranger, 29696 Highway 70, Quincy CA 95971.

**FOR FURTHER INFORMATION CONTACT:** Rich Bednarski, Interdisciplinary Team Leader, telephone: (530) 283–7641.

**SUPPLEMENTARY INFORMATION:**

## Decision To Be Made

The decision to be made is whether to: (1) Implement the proposed action; (2) meet the purpose and need for action through some other combination of activities; or (3) take no action at this time.

## Responsible Official and Lead Agency

The USDA Forest Service is the lead agency for this proposal. Mt. Hough District Ranger Terri Simon-Jackson is the responsible official.

## Tentative or Preliminary Issues and Possible Alternatives

In October 2001, the Mt. Hough District Ranger solicited public comment for the Stream Fire Salvage and Reforestation proposed action. Comments that were received from that process will be considered in this analysis. Controversy and uncertainty regarding post fire treatments have prompted the preparation of an Environmental Impact Statement (EIS). Other alternatives may be developed based on significant issues identified during the scoping process for this EIS. All alternatives will need to respond to the specific condition of providing benefits equal to or better than the current condition. Alternatives being considered at this time include: (1) The Proposed Action and (2) No Action.

Public participation is especially important at several points during the analysis. The Forest Service will be seeking information, comments, and assistance from Federal, State, and local agencies and other individuals or organizations that may be interested in or affected by the proposed action. To facilitate public participation, information about the proposed action is listed in the Plumas National Forest Quarterly Schedule of Proposed Actions; will be mailed to all who have expressed interest in the proposed action; and notification of the public scoping period will be published in the Feather River Bulletin, Quincy, CA.

Comments received during the scoping process should be in writing and should be specific to the proposed action. The comments should describe as clearly and completely as possible any issues the commenter has with the proposal. The scoping process includes:

(a) Identifying potential issues;

(b) Identifying issues to be analyzed in depth;

(c) Eliminating non-significant issues or those previously covered by a relevant environmental analysis;

(d) Exploring additional alternatives;

(e) Identifying potential environmental effects of the proposed action and alternatives.

## Dates

Comments concerning the scope of the analysis should be received in writing on or before September 6, 2002.

## Identification of Permits or Licenses Required

An Air Pollution Permit and a Smoke Management Plan are required by local agencies.

## Estimated Dates for Filing

The draft EIS is expected to be filed with the Environmental Protection Agency and available for public review in November 2002. The comment period on the draft EIS will be 45 days from the date the Environmental Protection Agency publishes the notice of availability of the draft EIS in the **Federal Register**. At that time, copies of the draft EIS will be distributed to interested and affected agencies, organizations, and members of the public for review and comment. It is very important that those interested in the management of the Plumas National Forest participate at that time.

## The Reviewer's Obligation To Comment

The Forest Service believes, at this early stage, it is important to give reviewers notice of several court rulings related to public participation in the environmental review process. First, reviewers of draft statements must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and contentions. *Vermont Yankee Nuclear Power Corp.* v. *NRDC, 435 U.S. 519, 553 (1978).* Also, environmental objections that could be raised at the draft environmental impact statement stage, but that are not raised until after completion of the final environmental impact statement, may be waived or dismissed by the courts. *City of Angoon* v. *Hodel,* 803 F.2d 1016, 1022 (9th Cir. 1986) and *Wisconsin Heritages, Inc.* v. *Harris,* 490 F. Supp. 1334, 1338 (E.D. Wis. 1980). Because of these court rulings, it is very important that those interested in this proposed action participate by the close of the 45 day comment period so that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final EIS.

To assist the Forest Service in identifying and considering issues and concerns on the proposed action, comments on the draft EIS should be as specific as possible. It is also helpful if comments refer to specific pages or chapters of the draft statement. Comments may also address the

adequacy of the draft EIS or the merits of the alternatives formulated and discussed in the statement. Reviewers may wish to refer to the Council on Environmental Quality Regulation of implementing the procedural provisions of the National Environmental Policy Act at 40 CFR 1503.3 in addressing these points.

Dated: August 5, 2002.

**Robert G. MacWhorter,**

*Acting Forest Supervisor.*

[FR Doc. 02–20155 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–11–M

## DEPARTMENT OF AGRICULTURE

### Forest Service

### Eastern Washington Cascades Provincial Advisory Committee and the Yakima Provincial Advisory Committee

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** The Eastern Washington Cascades Provincial Advisory Committee and the Yakima Provincial Advisory Committee will meet on Thursday, September 5, 2002, at the Okanogan and Wenatchee National Forests headquarters main conference room, 215 Melody Lane, Wenatchee, Washington. The meeting will begin at 9 a.m. and continue until 3 p.m. The location of the meeting is subject to change, please contact the headquarters office at (509) 6624335 for meeting location information. During this meeting we will discuss noxious weed management and prevention, and recreation management issues. All Eastern Washington Cascades and Yakima Province Advisory Committee meetings are open to the public. Interested citizens are welcome to attend.

**FOR FURTHER INFORMATION CONTACT:** Direct questions regarding this meeting to Paul Hart, Designated Federal Official, USDA, Wenatchee National Forest, 215 Melody Lane, Wenatchee, Washington 98801, 5096624335.

Dated: August 2, 2002.

**Paul Hart,**

*Designated Federal Official, Okanogan and Wenatchee National Forests,*

[FR Doc. 02–20158 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–11–M

## DEPARTMENT OF AGRICULTURE

### Forest Service

### John Day/Snake Resource Advisory Council, Hells Canyon Subgroup

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** The Hells Canyon Subgroup of the John Day/Snake Resource Advisory Council will meet on September 14 and 15, 2002 at the Forest Service Administrative Site, Pittsburgh Landing. The meeting will begin at 9 a.m. and continue until 5 p.m. the first day and will begin at 8 a.m. on the second day and adjourn by 2 p.m. the final day. Agenda items to be covered include: (1) Fee Demo, (2) Adopt-A-Beach, (3) Open public forum. All meetings are open to the public. Public comments will be received September 14, 2001 at 10 a.m. at the Pittsburgh Administrative Site.

**FOR FURTHER INFORMATION CONTACT:** Direct questions regarding this meeting to Kendall Clark, Area Ranger, USDA, Hells Canyon National Recreation Area, 88401 Highway 82, Enterprise, OR 97828, 541–426–5501.

Dated: August 2, 2002.

**Karyn L. Wood,**

*Forest Supervisor.*

[FR Doc. 02–20129 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–11–M

## DEPARTMENT OF AGRICULTURE

### Forest Service

### Grays Harbor Resource Advisory Committee

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** The Grays Harbor Resource Advisory Committee (RAC) will hold its next meeting on August 28, 2002. The meeting will be held at the Pacific Ranger District's Quinault Office, Quinault, Washington. The meeting will begin at 7 p.m. and end at approximately 9 p.m. Agenda topics are: (1) Approval of minutes of previous meeting; (2) Presentation of FY 2003 Title II project proposals; (3) Selection of recommended projects and priorities; (4) Public comments; and (5) Identify next meeting date and location.

All Grays Harbor Resource Advisory Committee Meetings are open to the public. Interested citizens are encouraged to attend.

**FOR FURTHER INFORMATION CONTACT:** Direct questions regarding this meeting to Ken Eldredge, RAC Liaison, USDA, Olympic National Forest Headquarters, 1835 Black Lake Blvd. Olympia, WA 98512–5623, (360) 956–2323 or Dale Hom, Forest Supervisor and Designated Federal Official, at (360) 956–2301.

Dated: August 1, 2002.

**Dale Hom,**

*Forest Supervisor, Olympic National Forest.*

[FR Doc. 02–20128 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–11–M

## DEPARTMENT OF AGRICULTURE

### Forest Service

### Okanogan and Wenatchee National Forests Resource Advisory Committee

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** The Okanogan and Wenatchee National Forests Resource Advisory Committee will meet on Wednesday, August 21, 2002, at the Okanogan and Wenatchee National Forests headquarters main conference room, 215 Melody Lane, Wenatchee, Washington. The meeting will begin at 9 a.m. and continue until 3 p.m. The location of the meeting is subject to change, please contact the headquarters office at (509) 662–4335 for meeting location information. Committee members will review Chelan County and Kittitas County projects proposed for 2003 under Title II of the Secure Rural Schools and Community Self-Determination Act of 2000. All Okanogan and Wenatchee National Forests Resource Advisory Committee meetings are open to the public. Interested citizens are welcome to attend.

**FOR FURTHER INFORMATION CONTACT:** Direct questions regarding this meeting to Paul Hart, Designated Federal Official, USDA, Wenatchee National Forest, 215 Melody Lane, Wenatchee, Washington 98801, 509–662–4335.

Dated: August 2, 2002.

**Sonny J. O'Neal,**

*Forest Supervisor, Okanogan and Wenatchee National Forests.*

[FR Doc. 02–20156 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–11–M

## DEPARTMENT OF AGRICULTURE

### Forest Service

### Okanogana nd Wenatchee National Forests Resource Advisory Committee

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** The Okanogan and Wenatchee National Forests Resource Advisory Committee will meet on Wednesday, September 4, 2002, at the Okanogan and Wenatchee National Forests headquarters main conference room, 215 Melody Lane, Wenachee, Washington. This meeting will begin at 9 a.m. and continue until 3 p.m. The location of the meeting is subject to change, please contact the headquarters office at (509) 662–4335 for meeting location information. Committee members will review Chelan County and Yakima County projects proposed for 2003 under Title II of the Secure Rural Schools and Community Self-Determination Act of 2000. All Okanogan and Wentachee National Forests Resource Advisory Committee meetings are open to the public. Interested citizens are welcome to attend.

**FOR FURTHER INFORMATION CONTACT:** Direct questions regarding this meeting to Paul Hart, Designated Federal Official, USDA, Wenatchee National Forest, 215 Melody Lane, Wenatchee, Washington 98801, 509–662–4335.

Dated: August 2, 2002.

**Sonny J. O'Neal,**

*Forest Supervisor, Okanogan and Wenatchee National Forests.*

[FR Doc. 02–20157 Filed 8–08–02; 8:45 am]

BILLING CODE 3410–11–M

## DEPARTMENT OF AGRICULTURE

### Forest Service

### Glenn/Colusa County Resource Advisory Committee

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** The Glenn/Colusa County Resource Advisory Committee (RAC) will hold a meeting.

**DATES:** The meeting will be held on August 26, 2002, and will begin at 1:30 p.m. until approximately 4:30 p.m.

**ADDRESSES:** The meeting will be held at the Mendocino National Forest Supervisor's Office, 825 N. Humboldt Ave., Willows, CA.

**FOR FURTHER INFORMATION CONTACT:** Bobbin Gaddini, Committee Coordinator, USDA, Mendocino National Forest, Grindstone Ranger District, P.O. Box 164, Elk Creek, CA 95939. (530) 968–5329; e-mail *ggaddini@fs.fed.us.*

**SUPPLEMENTARY INFORMATION:** Agenda items to be covered include: (1) Approve the Minutes from Last Meeting, (2) Proposed By-Laws—Action, (3) Draft Selection Criteria/Operating Guidelines—Action, (4) Willows Scramblers Presentation/Possible Action, (5) Update on RAC Projects, (6) Title III Projects for Review for Colusa, (7) Status of Absent Members & Replacement Members, (8) Public Comment, (9) Next Agenda. The meeting is open to the public. Public input opportunity will be provided and individuals will have the opportunity to address the Committee at that time.

Dated: August 5, 2002.

**James Fenwood,**

*Designated Federal Officer.*

[FR Doc. 02–20160 Filed 8–8–02; 8:45 am]

BILLING CODE 3410–11–M

## COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

### Procurement List: Proposed Additions

**AGENCY:** Committee for Purchase from People Who Are Blind or Severely Disabled.

**ACTION:** Proposed additions to Procurement List.

**SUMMARY:** The Committee is proposing to add to the Procurement List services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities.

*Comments Must Be Received on or Before:* September 8, 2002.

**ADDRESS:** Committee for Purchase From People Who Are Blind or Severely Disabled, Jefferson Plaza 2, Suite 10800, 1421 Jefferson Davis Highway, Arlington, Virginia 22202–3259.

**FOR FURTHER INFORMATION CONTACT:** Sheryl D. Kennerly, (703) 603–7740.

**SUPPLEMENTARY INFORMATION:** This notice is published pursuant to 41 U.S.C. 47(a)(2) and 41 CFR 51–2.3. Its purpose is to provide interested persons an opportunity to submit comments on the possible impact of the proposed actions.

If the Committee approves the proposed additions, the entities of the Federal Government identified in the notice for each service will be required to procure the services listed below from nonprofit agencies employing persons who are blind or have other severe disabilities.

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. If approved, the action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the services to the Government.

2. If approved, the action will result in authorizing small entities to furnish the services to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46–48c) in connection with the services proposed for addition to the Procurement List. Comments on this certification are invited.

Commenters should identify the statement(s) underlying the certification on which they are providing additional information.

The following services are proposed for addition to Procurement List for production by the nonprofit agencies listed:

**Services**

*Service Type/Location:* Carwash Service, Border Patrol South, San Diego, California. Brown Field Border Patrol Station, Britannia Commerce Court, San Diego, California. Campo Border Patrol Station, Campo, California. El Cajon Border Patrol Station, El Cajon, California. Imperial Beach Border Patrol Station, San Diego, California. Temecula Border Patrol Station, Temecula, California.

*NPA:* Association for Retarded Citizens—San Diego, San Diego, California.

*Contract Activity:* Immigration and Naturalization Service, DOJ.

*Service Type/Location:* Janitorial & Related Services, Social Security Administration, Southeastern Program Service Center, Birmingham, Alabama.

*NPA:* Alabama Goodwill Industries, Inc., Birmingham, Alabama.

*Contract Activity:* Social Security Administration, Baltimore, Maryland.

*Service Type/Location:* Miscellaneous Support Services, Central Arkansas Veterans Healthcare System, Little Rock, Arkansas.

*NPA:* Pathfinder Schools, Inc., Jacksonville, Arkansas.

*Contract Activity:* Veterans Affairs Medical Center, North Little Rock, Arkansas.

**Sheryl D. Kennerly,**

*Director, Information Management.*

[FR Doc. 02–20212 Filed 8–8–02; 8:45 am]

BILLING CODE 6353–01–P

## COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

### Procurement List; Additions and Deletions

**AGENCY:** Committee for Purchase from People Who Are Blind or Severely Disabled.

**ACTION:** Additions to and Deletions from Procurement List.

**SUMMARY:** This action adds to the Procurement List products and a service to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, and deletes from the Procurement List products previously furnished by such agencies.

**EFFECTIVE DATE:** September 8, 2002.

**ADDRESSES:** Committee for Purchase From People Who Are Blind or Severely Disabled, Jefferson Plaza 2, Suite 10800, 1421 Jefferson Davis Highway, Arlington, Virginia 22202–3259.

**FOR FURTHER INFORMATION CONTACT:** Sheryl D. Kennerly, (703) 603–7740.

**SUPPLEMENTARY INFORMATION:**

### Additions

On June 15, 2001, June 7, June 14, and June 21, 2002, the Committee for Purchase From People Who Are Blind or Severely Disabled published notice (66 FR 32598, 67 FR39337, 40909 and 42235) of proposed additions to and deletions from the Procurement List. After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the products and service and impact of the additions on the current or most recent contractors, the Committee has determined that the products and service listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46–48c and 41 CFR 51–2.4. I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the products and service to the Government.

2. The action will result in authorizing small entities to furnish the products and service to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46–48c) in connection with the products and service proposed for addition to the Procurement List.

Accordingly, the following products and service are added to the Procurement List:

*Products*

*Product/NSN:* Marker, Permanent Ink (Colossal).

7520–01–424–4849 (Black)
7520–01–424–4855 (Red)
7520–01–424–4870 (Green)
7520–01–424–4880 (Blue)

*NPA:* Dallas Lighthouse for the Blind, Inc., Dallas, Texas.

*Contract Activity:* Office Supplies & Paper Products Acquisition Center, New York, New York.

*Product/NSN:* Pillow, Bed, 7210–00–NIB–0021.

*NPA:* Raleigh Lions Clinic for the Blind, Inc., Raleigh, North Carolina.

*Contract Activity:* Department of Veterans Affairs Acquisition Center, Hines, Illinois.

*Product/NSN:* PRC Deck Recoating System, 8010–00–NIB–0012.

*NPA:* Alphapointe Association for the Blind, Kansas City, Missouri.

*Contract Activity:* Fleet Industrial Supply Center, Bremerton, Washington.

*Service*

*Service Type/Location:* Base Supply Center, Naval Support Activity, Mechanicsburg, Pennsylvania. Naval Support Activity, Philadelphia, Pennsylvania.

*NPA:* L.C. Industries For The Blind, Inc., Durham, North Carolina.

*Contract Activity:* Naval Support Activity, Philadelphia, Philadelphia, Pennsylvania.

### Deletions

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action may not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the products to the Government.

2. The action will result in authorizing small entities to furnish the products to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46–48c) in connection with the products proposed for deletion from the Procurement List.

After consideration of the relevant matter presented, the committee has determined that the products listed below are no longer suitable for procurement by the Federal Government under 41 U.S.C. 46–48c and 41 CFR 51–2.4.

Accordingly, the following products are hereby deleted from the Procurement List:

*Products*

*Product/NSN:* Case, Spectacle.

6540–01–188–6023
6540–01–454–6926

*NPA:* Dallas Lighthouse for the Blind, Inc., Dallas, Texas.

*NPA:* The Travis Association for the Blind, Austin, Texas.

*Contract Activity:* Defense Supply Center Philadelphia, Philadelphia, Pennsylvania.

*Product/NSN:* Floorboard, Vehicular, 2510–01–063–3892.

*NPA:* None currently authorized.

*Contract Activity:* Defense Supply Center—Columbus, Columbus, Ohio.

**Sheryl D. Kennerly,**

*Director, Information Management.*

[FR Doc. 02–20213 Filed 8–8–02; 8:45 am]

BILLING CODE 6353–01–P

## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board

**[Docket 30–2002]**

### Foreign-Trade Zone 61—San Juan, PR; Expansion of Facilities and Manufacturing Authority—Subzone 61F; IPR Pharmaceuticals, Inc. Plant (Pharmaceuticals), Guayama, PR

An application has been submitted to the Foreign-Trade Zones Board (the Board) by IPR Pharmaceuticals, Inc., requesting to add capacity and to expand the scope of manufacturing authority under zone procedures within Subzone 61F, at the IPR plant in Guayama, Puerto Rico. It was formally filed on August 1, 2002.

Subzone 61F was approved by the Board in 1995 at a single site located at State Road No. PR 53, km. 84, Guayama, Puerto Rico, with authority granted for the manufacture of intermediate and bulk pharmaceuticals (Board Order 787, 60 FR 63499, 12/11/95).

Subzone 61F (800 employees) currently consists of 7 buildings totaling 95,748 square feet on 49 acres. IPR is now proposing to add 8 buildings of 88,126 sq. ft. and 101 acres. The proposed Subzone 61F would then consist of 15 buildings of 183,874 sq. ft. on 150 acres.

The application also requests to expand the scope of authority for manufacturing activity conducted under FTZ procedures to include additional general categories of inputs that have recently been approved by the Board for other pharmaceutical plants. They include chemically pure sugars, empty

capsules for pharmaceutical use, protein concentrates, natural magnesium phosphates and carbonates, gypsum, anhydrite and plasters, petroleum jelly, paraffin and waxes, sulfuric acid, other inorganic acids or compounds of nonmetals, ammonia, zinc oxide, titanium oxides, fluorides, chlorates, sulfates, salts of oxometallic acids, radioactive chemical elements, colloidal precious metals, compounds of rare earth metals, acyclic hydrocarbons, derivatives of phenols or peroxides, acetals and hemiacetals, phosphoric esters and their salts, diazo-compounds, glands for therapeutic uses, wadding, gauze and bandages, pharmaceutical glaze, hair preparations, lubricating preparations, albumins, prepared glues and adhesives, catalytic preparations, diagnostic or laboratory reagents, prepared binders, acrylic and ethylene polymers, self-adhesive plates and sheets, other articles of vulcanized rubber, plastic cases, cartons, boxes, printed books, brochures and similar printed matter, carboys, bottles, and flasks, stoppers, caps, and lids, aluminum foil, tin plates and sheets, taps, cocks and valves, and medical instruments and appliances. Materials sourced from abroad represent some 50%-65% of finished product value.

Zone procedures would exempt IPR from Customs duty payments on foreign materials used in production for export. Some 30–40 percent of the plant's shipments are exported. On domestic shipments, the company would be able to defer Customs duty payments on foreign materials, and to choose the duty rate that applies to finished products (duty free-9.2%) instead of the rates otherwise applicable to the foreign input materials (duty free-20%)(noted above). The application indicates that the savings from zone procedures would help improve IPR's international competitiveness.

In accordance with the Board's regulations, a member of the FTZ staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at one of the following addresses:

1. *Submissions Via Express/Package Delivery Services:* Foreign-Trade-Zones Board, U.S. Department of Commerce, Franklin Court Building—Suite 4100W, 1099 14th St. NW., Washington, DC 20005; or

2. *Submissions Via the U.S. Postal Service:* Foreign-Trade-Zones Board, U.S. Department of Commerce, FCB—Suite 4100W, 1401 Constitution Ave. NW., Washington, DC 20230.

The closing period for their receipt is September 9, 2002. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to October 23, 2002.)

A copy of the application and accompanying exhibits will be available for public inspection at the Office of the Foreign-Trade Zones Board's Executive Secretary at address Number 1 listed above, and at the U.S. Department of Commerce Export Assistance Center, 525 F.D. Roosevelt Ave., Suite 905, San Juan, PR 00918.

Dated: August 2, 2002.

**Dennis Puccinelli,**

*Executive Secretary.*

[FR Doc. 02–20236 Filed 8–8–02; 8:45 am]

BILLING CODE 3510–DS–P

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–580–836]**

### Certain Cut-To-Length Carbon-Quality Steel Plate from the Republic of Korea: Rescission of Antidumping Duty Administrative Review

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of Rescission of Antidumping Duty Administrative Review.

**EFFECTIVE DATE** : August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Timothy Finn or Howard Smith at (202) 482–0065 or (202) 482–5193, respectively; AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:**

### The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations at 19 CFR Part 351 (2002).

### Background

On February 1, 2002, the Department of Commerce (the Department) published a notice of opportunity to request administrative reviews of the antidumping duty orders on certain cut-to-length carbon-quality steel plate (CTL plate) from France, Italy, Indonesia, India, Japan, and the Republic of Korea covering the period February 1, 2001, through January 31, 2002 (67 FR 4945, 4946).

On March 20, 2002, pursuant to separate requests made by Bethlehem Steel Corporation and United States Steel Corporation (collectively ''the petitioners'') and Nucor Corporation (Nucor), a domestic interested party, the Department initiated administrative reviews of the antidumping duty orders on CTL plate from the above-named countries (67 FR 14696, 14697)(March 27, 2002). On April 26, 2002, the petitioners withdrew their request for the administrative reviews of CTL plate from France, Italy, Indonesia, India, Japan, and Korea. However, Nucor did not withdraw its request for an administrative review of CTL plate from Korea. Therefore, in accordance with 19 CFR 351.213(d)(1), on May 20, 2002, the Department rescinded the administrative reviews initiated with respect to France, Italy, Indonesia, India and Japan. *See Certain Cut-To-Length Carbon-Quality Steel Plate from France, Italy, Indonesia, India, and Japan: Rescission of Antidumping Duty Administrative Review*, 67 FR 36855 (May, 28, 2002). Subsequently, on June 18, 2002, Nucor withdrew its request for the administrative review of CTL plate from Korea.

### Rescission of Review

Section 351.213(d)(1) of the Department's regulations provides that a party that requests an administrative review may withdraw the request within 90 days after the date of publication of the notice of initiation of the requested administrative review. The Department is rescinding the administrative review of the order on CTL plate from Korea for the period February 1, 2001 through January 31, 2002 because the requesting parties have withdrawn their requests for this administrative review within the 90–day time limit and no other interested parties have requested a review of CTL plate from Korea for this time period.

This notice is in accordance with section 777(i)(1) of the Act and 19 CFR 351.213(d)(4).

Dated: August 2, 2002.

**Bernard T. Carreau,**

*Deputy Assistant Secretary for Import Administration.*

[FR Doc. 02–20234 Filed 8–8–02; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–570–831]**

### Fresh Garlic from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Administrative Review, and Intent to Rescind Administrative Review in Part

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Administrative Review, and Intent to Rescind Administrative Review in Part.

**SUMMARY:** In response to requests from interested parties, the Department of Commerce is conducting an administrative review of the antidumping duty order on fresh garlic from the People's Republic of China. The period of review is November 1, 2000, through October 31, 2001. Five companies named in the initiation of this review had no exports or sales of the subject merchandise during the period of review and, consequently, we are rescinding the review of these companies. In addition, we are rescinding our review of two companies which are not located within the People's Republic of China and which we have not been able to contact for information, because available evidence indicates no sales or exports subject to this review. Therefore, this review covers fourteen exporters of the subject merchandise. We intend to rescind the review of one company because we have determined that the company is not the appropriate respondent for the sales of which the review was requested. We preliminarily determine that eight of the companies are not entitled to a separate rate and will be assigned the PRC-entity rate. We preliminarily determine that three respondent companies, not located within a non-market economy, have failed to cooperate by not acting to the best of their ability to comply with our requests for information and, as a result, should be assigned a rate based on adverse facts available. Finally, we have preliminarily determined that one respondent did not make sales to the United States at prices below normal value.

We invite interested parties to comment on these preliminary results. Parties that submit comments are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument.

**EFFECTIVE DATE:** August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Edythe Artman or Catherine Cartsos, Office of AD/CVD Enforcement 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C., 20230; telephone: (202) 482–3931 and (202) 482–1757, respectively.

**SUPPLEMENTARY INFORMATION:**

### The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR Part 351 (April 2001).

### Background

On October 30, 2001, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on fresh garlic from the People's Republic of China (PRC). *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 66 FR 54750 (October 30, 2001). We received three requests for administrative review on November 30, 2001. Clipper Manufacturing Ltd. (Clipper) and Taian Fook Huat Tong Kee Foods Co. (FHTK) each requested a review of its own sales of subject merchandise to the United States during the period of review (POR). The petitioner, the Fresh Garlic Producers Association and its individual members, requested reviews of the sales of sixteen companies with addresses in the PRC or Hong Kong, including Clipper and FHTK. In addition, it requested reviews of sales of subject merchandise of two companies with addresses in Thailand and two companies with addresses in the Philippines.

We published a notice of initiation of antidumping administrative reviews on December 19, 2001. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews,* 66 FR 65470 (December 19, 2001).

On January 8, 2002, we issued a letter requesting quantity and value information to all of the companies listed in our notice of initiation. In the case of Rizhao Hanxi Fisheries& Comprehensive Development Co., Ltd. (Rizhao), we issued the letter to the Embassy of the PRC and the China Chamber of Commerce for Import and Export of Foodstuffs, Native Produce, and Animal By-Products (China Chamber of Commerce) and requested that they forward the letter to the appropriate address. Details of our mailings and the responses that we received are set forth in a ''Memorandum to Richard W. Moreland'' regarding responses to quantity-and-value letters (May 16, 2002) (Q&V Response Memorandum). (All cited memoranda and decision memoranda are on file in the Central Records Unit (CRU), Main Commerce Building, Room B–099.) As a result of the responses to our letter, we issued complete questionnaires to Clipper and FHTK on February 28, 2002.

During the period April through July 2002, the Department received responses to sections A, C, and D of the original and supplemental questionnaires from FHTK and Clipper. On May 17, 2002, we requested that these companies and the petitioner provide comments on the surrogate-country selection and publicly available information for valuing the factors of production. We received comments and information from FHTK on June 13, 2002, and from the petitioner on June 14, 2002. Clipper did not provide comments or information. With respect to FHTK, we intend to verify its factors-of-production and sales information prior to issuing the final results of review.

### Scope of the Order

The products covered by this antidumping duty order are all grades of garlic, whole or separated into constituent cloves, whether or not peeled, fresh, chilled, frozen, provisionally preserved, or packed in water or other neutral substance, but not prepared or preserved by the addition of other ingredients or heat processing. The differences between grades are based on color, size, sheathing, and level of decay.

The scope of this order does not include the following: (a) garlic that has been mechanically harvested and that is primarily, but not exclusively, destined for non-fresh use; or (b) garlic that has been specially prepared and cultivated prior to planting and then harvested and otherwise prepared for use as seed.

The subject merchandise is used principally as a food product and for seasoning. The subject garlic is currently classifiable under subheadings 0703.20.0010, 0703.20.0020, 0703.20.0090, 0710.80.7060, 0710.80.9750, 0711.90.6000, and 2005.90.9700 of the *Harmonized Tariff Schedule of the United States* (HTSUS).

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive. In order to be excluded from the antidumping duty order, garlic entered under the HTSUS subheadings listed above that is (1) mechanically harvested and primarily, but not exclusively, destined for non-fresh use or (2) specially prepared and cultivated prior to planting and then harvested and otherwise prepared for use as seed must be accompanied by declarations to the Customs Service to that effect.

**Separate Rates**

The Department has treated the PRC as a non-market-economy (NME) country in all past antidumping investigations (see, *e.g., Notice of Final Determination of Sales at Less Than Fair Value: Creatine Monohydrate from the People's Republic of China*, 64 FR 71104 (December 20, 1999), and *Notice of Final Determination of Sales at Less Than Fair Value: Certain Preserved Mushrooms from the People's Republic of China*, 63 FR 72255 (December 31, 1998)) and in prior segments of this proceeding. A designation as an NME remains in effect until it is revoked by the Department. See section 771(18)(C) of the Act. Accordingly, there is a rebuttable presumption that all companies within the PRC are subject to government control and, thus, should be assessed a single antidumping duty rate.

It is the Department's standard policy to assign all exporters of the merchandise subject to review in NME countries a single rate, unless an exporter can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to exports. To establish whether a company is sufficiently independent to be entitled to a separate, company-specific rate, the Department analyzes each exporting entity in an NME country under the test established in the *Final Determination of Sales at Less than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) (*Sparklers*), as amplified by the *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994).

Several companies located within the PRC did not respond to our letter requesting quantity and value information. These companies are Foshan Foodstuffs Import & Export Company, Jinan Import & Export Corporation, Jinxiang Foreign Trade Corporation, Jinxiang Hong Chong Fruits & Vegetable Products Company, Ltd., Quingdao Rui Sheng Food Company, Ltd., Rizhao, Shandong Commercial Group Corporation, and Zhejiang Materials Industry International Co., Ltd. We have confirmed that all of these companies received our letter except for Rizhao, which, as noted above, we attempted to contact through the Embassy of the PRC and the China Chamber of Commerce. Because none of the eight companies responded to our request for information regarding separate rates, we preliminarily determine that these respondent-companies do not merit separate rates. See, *e.g., Natural Bristle Paint Brushes and Brush Heads from the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review*, 61 FR 57389 (November 6, 1996). Consequently, consistent with the statement in our notice of initiation, we find that, because these companies do not qualify for separate rates, they are deemed to be covered by the PRC-entity rate.

Hong Kong companies are treated as market-economy companies (see *Application of U.S. Antidumping and Countervailing Duty Laws to Hong Kong*, 62 FR 42965 (August 11, 1997)). Wo Hing (H.K.) Trading Co. (Wo Hing) has an address in Hong Kong and did not respond to our January 8, 2002, request for information. Without any information concerning its corporate ownership, we presume that it is a Hong Kong entity. Thus, we determine that it qualifies for a company-specific rate.

Similarly, two other non-responding companies have addresses outside the PRC. Golden Light Trading Company, Ltd. (Golden Light), has an address in Thailand and Phil-Sino International Trading Inc. (Phil-Sino) has an address located in the Philippines. We presume that these are market-economy companies. Thus, we determine that they both qualify for a company-specific rate.

FHTK's submissions establish that Taian Fook Huat Tong Kee Foods Co., Ltd., is a PRC-company that is wholly owned by Fook Huat Tong Kee Pte., Ltd., a Singaporean company. Fook Huat Tong Kee Pte., Ltd., is wholly owned by a Singaporean holding company that is publicly traded. Because there is no PRC ownership of Taian Fook Huat Tong Kee Foods Co., Ltd., we determine that a separate-rate analysis is not required for this company because its parent company is beyond the jurisdiction of the PRC government. See *Certain Cut-to-Length Carbon Steel Plate from Romania: Preliminary Results of Antidumping Duty Administrative Review*, 64 FR 48581, 48582 (September 7, 1999) (unchanged in final). Consequently, FHTK qualifies for a company-specific rate.

**Partial Rescission of Administrative Review**

In response to our January 8, 2002, letter requesting quantity and value information, five companies responded that they were neither producers nor exporters of the subject merchandise. These companies were Zen Continental Co., Inc., Rich Shipping Co., Ltd., United Shipping Agency Co., Ltd., Asia Pacific Express Company, Ltd., and C.I.F. Transportation (HK) Co., Ltd. Their individual responses are discussed in and attached to the Q&V Response Memorandum. Each of the companies responded that they are involved in the shipping or freight industry and that they are not producers or exporters of the subject merchandise. We confirmed with the Customs Service that none of them were listed as manufacturers or exporters of the subject merchandise during the POR. In addition, there is no information on the record to indicate that the companies had sales or exports of subject merchandise.

Thus, we find that Zen Continental Co., Inc., Rich Shipping Co., Ltd., United Shipping Agency Co., Ltd., Asia Pacific Express Company, Ltd., and C.I.F. Transportation (HK) Co., Ltd., made no entries, exports, or sales of the subject merchandise during the POR that are subject to the administrative review. Consequently, we are rescinding the review with respect to each of them pursuant to 19 CFR 351.213(d)(3).

We were unable to contact two companies, Top Pearl Ltd. and Good Fate International that had addresses in Hong Kong and the Philippines, respectively. Despite our repeated attempts to contact these companies, the letters we sent to these companies were returned to us as not deliverable. For details of our attempts to contact the companies, see Q&V Response Memorandum. We confirmed through data from the Customs Service that neither Top Pearl nor Good Fate were listed as manufacturers or exporters of the subject merchandise during the POR. Thus, because we have been unable to locate these companies and because there is no evidence on the record that these companies had exports or sales of the subject merchandise subject to this review, we are rescinding the review with respect to each of them pursuant to 19 CFR 351.213(d). In the event there are any entries during the POR of subject merchandise exported by these companies during the POR, we will instruct the Customs Service to

assess antidumping duties at the rate equal to the cash deposit of estimated duties required on that merchandise at the time of entry, or withdrawal from warehouse, for consumption. See 19 CFR 351.212(c). For future entries of subject merchandise from these companies, the cash deposit rate will be the rate applicable to the PRC supplier of the merchandise.

**Intent to Rescind in Part**

Pursuant to section 772(a) of the Act, the Department reviews the sales of the subject merchandise by the seller who first had knowledge that the merchandise was destined for export to the United States. Clipper, a trading company located in Hong Kong, requested a review of its sales of fresh garlic to a reported U.S. customer. Clipper identified Chengwu Hechang Vegetable Co., Ltd. (Chengwu), and Anhui Weifu Foods Co., Ltd. (Anhui), as its suppliers in its questionnaire responses. Both companies are PRC-based processors of fresh garlic. Because Chengwu and Anhui did not have export licenses and were unable to maintain U.S.-dollar bank accounts, they used the services of PRC-based export agents to sell subject merchandise during the POR. The export agents shipped the subject merchandise directly from the PRC to the United States. Clipper paid the export agents in U.S. dollars. The export agents paid Chengwu and Anhui in Chinese renminbi.

Clipper acknowledges in its April 6, 2002, questionnaire response and June 13, 2002, supplemental questionnaire response that Chengwu and Anhui had knowledge of the U.S. destination of the subject merchandise at the time of sale. See the response to section A of the questionnaire, dated April 6, 2002, p. 16, and response to the supplemental questionnaire, dated June 13, 2002, p. 9. Furthermore, all of the shipping and export documentation that Clipper submitted to the Department established the U.S. destination of the merchandise. Thus, the export agents had knowledge of the U.S. destination of the subject merchandise. See response to section A of the questionnaire, dated April 6, 2002, exhibit A–11, and response to the supplemental questionnaire, dated June 13, 2002, exhibit SA–8.

Clipper asserts that the export agents never took title to the subject merchandise. The invoices and wire transfers between Clipper and the export agents establish, however, that sales transactions did occur between the two parties. By contrast, Clipper provided no documentation of a transaction between Clipper and Anhui or between Clipper and Chengwu despite repeated requests for such documentation. See response to section A of the questionnaire, dated April 6, 2002, exhibit A–11, and response to the supplemental questionnaire, dated June 13, 2002, exhibit SA–9.

Section 772(a) of the Act states in part:

> The term ''export price'' means the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States...

Accordingly, we have interpreted section 772(a) of the Act to mean that we are to use the price at which the first party in the chain of distribution who has knowledge of the U.S. destination of the merchandise sells the subject merchandise, either directly to a U.S. purchaser or to an intermediary such as a trading company. The party making such a sale, with knowledge of destination, is the appropriate party to be reviewed. Our focus is on the first party in the chain of distribution with knowledge of the U.S. destination rather than on the first chronological sale of the merchandise. One restriction to this rule is that, in NME cases, we do not base export price on internal transactions between two companies located in the NME. *See Fresh Garlic from the People's Republic of China; Final Results of Antidumping Duty Administrative Review and Partial Termination of Administrative Review,* 62 FR 23758, 23759 (May 1, 1997).

Applying these principles, we do not intend to review Clipper's sales to its U.S. customer because the PRC export agents had knowledge of the U.S. destination when they made the sales to Clipper. Further, we know Chengwu and Anhui had knowledge of the ultimate destination of this merchandise. We also believe that the PRC export agents had knowledge, accordingly, of the destination of the goods as well. Because of their knowledge and the fact that the sales from the agents to Clipper were the first non-intra-NME sales in the chain of distribution, these sales are the appropriate basis for determining the export price. We therefore intend to rescind this review as it applies to Clipper.

The Department did not receive a request for review of the PRC export agents during the anniversary month of the publication of the antidumping duty order. See 19 CFR 351.213(b). Therefore, it is not appropriate to conduct a review of the sales at issue. Furthermore, because Clipper is not an appropriate respondent for review of the sales, it is our intent to rescind the administrative review with respect to this company.

**Non-Responding Companies**

*A. Use of the PRC-Wide Rate*

For the eight companies located within the PRC which received our request for information but did not respond to that request, we find that they do not qualify for a separate rate for reasons discussed in the ''Separate Rates'' section above. Therefore, we preliminarily determine that they will be assigned the PRC-wide rate as part of the PRC-entity for the results of this review.

*B. Use of Adverse Facts Available*

Section 776(a)(2) of the Act provides that if an interested party or any other person: (A) withholds information that has been requested by the administering authority; (B) fails to provide such information by the deadlines for the submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 782; (C) significantly impedes a proceeding under this title; or (D) provides such information but the information cannot be verified as provided in section 782(i), the Department shall, subject to section 782(d) of the Act, use the facts otherwise available in reaching the applicable determination under this title.

Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department will so inform the party submitting the response and will, to the extent practicable, provide that party the opportunity to remedy or explain the deficiency. If the party fails to remedy the deficiency within the applicable time limits, the Department may, subject to section 782(e) of the Act, disregard all or part of the original and subsequent responses, as appropriate. Section 782(e) of the Act provides that the Department ''shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all the applicable requirements established by the administering authority'' if the information is timely, can be verified, and is not so incomplete that it cannot be used, and if the interested party acted to the best of its ability in providing the information.

Where all of these conditions are met, the statute requires the Department to use the information, if it can do so without undue difficulty.

According to section 776(b) of the Act, if the Department finds that an interested party ''has failed to cooperate by not acting to the best of its ability to comply with a request for information,'' the Department may use information that is adverse to the interests of the party as facts otherwise available. Adverse inferences are appropriate ''to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.'' See Statement of Administrative Action (SAA) accompanying the URAA, H. Doc. No. 316, 103d Cong., 2d Session at 870 (1994). Furthermore, ''an affirmative finding of bad faith on the part of the respondent is not required before the Department may make an adverse inference.'' *Antidumping Duties; Countervailing Duties: Final Rule*, 62 FR 27296, 27340 (May 19, 1997).

An adverse inference may include reliance on information derived from the petition, the final determination in the investigation, any previous review, or any other information placed on the record. See section 776(b) of the Act. However, section 776(c) provides that, when the Department relies on secondary information rather than on information obtained in the course of a review, the Department shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. The SAA states that the independent sources may include published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation or review. See SAA at 870. The SAA clarifies that ''corroborate'' means that the Department will satisfy itself that the secondary information to be used has probative value. *Id.* As noted in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (November 6, 1996) (*TRBs*), to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. However, because there are no independent sources from which the Department can derive calculated dumping margins, unlike other types of information such as input costs or selling expenses, the only source for margins is previous administrative determinations.

Three companies that are not located within an NME country, Golden Light, Phil-Sino, and Wo Hing, did not respond to our request for information. We have confirmed that they received our letter but opted not to respond. For details of our mailing, see the Q&V Response Memorandum. Moreover, as discussed in the ''Separate Rates'' section above, we have determined that each of the companies qualify for a company-specific rate. Because the companies did not respond to our request for information, we find it necessary, under section 776(a)(2) of the Act, to use facts otherwise available as the basis for the preliminary results of review for these three companies.

In addition, we find that Golden Light, Phil-Sino, and Wo Hing each failed to cooperate by not acting to the best of its ability to comply with a request for information. Thus, we find it appropriate to use an inference that is adverse to the interests of each of these companies in selecting from among the facts otherwise available. By doing so, we ensure that the companies will not obtain a more favorable result by failing to cooperate than had they cooperated fully in the review.

Further, we find it necessary to use facts otherwise available as the basis for the rate for the PRC-entity, including the eight PRC companies who opted not to respond to our request for information, and that it is appropriate to use an inference that is adverse in the selection of these facts. In this way, we ensure that these exporters will not obtain a more favorable result by failing to cooperate than had they cooperated fully in the review.

The only rate that has ever been assigned in this proceeding is 376.67 percent, a rate that is currently the PRC-wide rate and that was calculated based on information contained in the petition. The rate was corroborated for the preliminary results of the first administrative review. See *Fresh Garlic from the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review and Partial Termination of Administrative Review*, 61 FR 68229, 68230 (December 27, 1996). We corroborated the information in subsequent reviews to the extent that we noted the history of corroboration and found that we had not received any information that warranted revisiting the issue. See *Fresh Garlic from the People's Republic of China; Preliminary Results of Antidumping Duty New Shipper Review, Preliminary Results of Antidumping Duty Administrative Review, and Partial Rescission of Administrative Review*, 66 FR 44596 (August 24, 2001). Similarly, no information has been presented in the current review that calls into question the reliability of this rate. Thus, we find that the information is reliable.

With respect to the relevance aspect of corroboration, the Department stated in *TRBs* that it will ''consider information reasonably at its disposal as to whether there are circumstances that would render a margin irrelevant. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin.'' See *TRBs* at 61 FR 57392. See also *Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review*, 61 FR 6812, 6814 (February 22, 1996) (disregarding the highest margin in the case as best information available because the margin was based on another company's uncharacteristic business expense resulting in an extremely high margin). There is no information on the record that the application of this rate would be inappropriate in the administrative review or that the margin is not relevant; therefore, we have applied, as adverse facts available, the 376.67 percent margin from a prior administrative review of this order and have satisfied the corroboration requirements under section 776(c) of the Act. See *Persulfates from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review*, 66 FR 18439, 18441 (April 9, 2001) (employing a petition rate used as adverse facts available in a previous segment as the adverse facts available in the current review).

Therefore, we preliminarily determine that the rate of 376.67 percent should be used as the adverse facts available for the preliminary results of review for Golden Light, Phil-Sino, and Wo Hing. We also preliminarily determine that the rate of 376.67 percent should be used as the adverse facts available for the preliminary results of review for the PRC-entity and, accordingly, applies to Foshan Foodstuffs Import & Export Company, Jinan Import & Export Corporation, Jinxiang Foreign Trade Corporation, Jinxiang Hong Chong Fruits & Vegetable Products Company, Ltd., Quingdao Rui Sheng Food Company, Ltd., Rizhao, Shandong Commercial Group Corporation, and Zhejiang Materials Industry International Co., Ltd.

**Fair Value Comparisons**

To determine whether sales of fresh garlic to the United States by FHTK were made at less than fair value, we compared the export price of the subject merchandise to normal value, as described in the ''Export Price'' and ''Normal Value'' sections below.

**Export Price**

In accordance with section 772(a) of the Act, we used export-price methodology because the first sale to an unaffiliated purchaser was made outside the United States before importation of the merchandise into the United States. We calculated the export price based on prices from FHTK to the unaffiliated U.S. customers. We made deductions, where appropriate, from the gross unit price to account for foreign inland freight, international freight, customs duties, and brokerage and handling. Because certain domestic charges, such as those for foreign inland freight, were provided by NME companies, we valued those charges based on surrogate rates from India. See ''Memorandum to the File'' regarding the factors valuation for the preliminary results of the administrative review (August 2, 2002) (FOP Memorandum).

**Normal Value**

*1. Surrogate Country*

When investigating imports from a NME country, section 773(c)(1) of the Act directs the Department to base normal value, in most circumstances, on the NME producer's factors of production valued in a surrogate market-economy country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the factors of production, the Department shall use, to the extent practicable, the prices or costs of factors of production in one or more market-economy countries that are at a level of economic development comparable to the NME country and are significant producers of comparable merchandise. The sources of the surrogate factor values are discussed under the ''Factor Valuations'' section below.

The Department has determined that India, Pakistan, Indonesia, Sri Lanka, and the Philippines are countries comparable to the PRC in terms of economic development. See ''Memorandum to Laurie Parkhill'' regarding 2000–2001 administrative review and new shipper reviews of the antidumping duty order on fresh garlic from the People's Republic of China (February 28, 2002). In addition to being among the countries comparable to the PRC in economic development, India is a significant producer of the subject merchandise. We used India as the surrogate country and, accordingly, we have calculated normal value using Indian prices to value the PRC producer's factors of production, when available and appropriate. We have obtained and relied upon publicly available information wherever possible. See ''Memorandum to the File'' regarding the selection of a surrogate country (August 2, 2002).

In accordance with 19 CFR 351.301(c)(3)(ii), for the final results of an administrative review, interested parties may submit publicly available information to value the factors of production until 20 days following the date of publication of these preliminary results.

*2. Factors of Production*

Section 773(c)(1) of the Act provides that the Department shall determine the normal value using a factors-of-production methodology if (1) the merchandise is exported from an NME country and (2) the information does not permit the calculation of normal value using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. Factors of production include the following elements: (1) hours of labor required, (2) quantities of raw materials employed, (3) amounts of energy and other utilities consumed, and (4) representative capital costs. We used factors of production reported by FHTK for materials, energy, labor, and packing. We valued all the input factors using publicly available, published information, as discussed in the ''Surrogate Country'' and ''Factor Valuations'' sections of this notice. In accordance with 19 CFR 351.408(c)(1), where a producer sources an input from a market economy and pays for it in market-economy currency, the Department employs the actual price paid for the input to calculate the factors-based normal value. See also *Lasko Metal Products v. United States*, 437 F.3d 1442, 1445–1446 (CAFC 1994). Therefore, where FHTK had market-economy inputs and paid for these inputs in a market-economy currency, we used the actual prices paid for those inputs in our calculations.

*3. Factor Valuations*

In accordance with section 773(c) of the Act, we calculated normal value based on factors of production reported by FHTK for the POR. To calculate normal value, we multiplied the reported per-unit factor quantities by publicly available Indian surrogate values. In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. For a detailed description of all the surrogate values used, see the FOP Memorandum.

We added a surrogate freight cost, using the shortest reported distance from the domestic supplier to the factory, to Indian import surrogate values. This adjustment is in accordance with the decision in *Sigma Corporation v. United States*, 117 F. 3d 1401, 1407–08 (CAFC 1997).

For those Indian rupee values not contemporaneous with the POR, we adjusted for inflation using wholesale price indices for India published in the International Monetary Fund's *International Financial Statistics*. For those U.S. dollar-denominated values not contemporaneous with the POR, we adjusted for inflation using producer price indices published on the Federal Reserve Bank website (www.dallasfed.org/htm/data/data/wsop03sa.tab.htm).

Except as noted below, we valued raw material inputs using the weighted-average unit import values derived from the *Monthly Trade Statistics of Foreign Trade of India Volume II Imports*(Indian Import Statistics) for the time period April 2001 through September 2001. Where POR-specific Indian import statistics were not available, we used Indian import statistics from an earlier period (*i.e.*, April 2001 through June 2001). Surrogate-value data or sources to obtain such data were obtained from FHTK, the petitioner, and Department research.

We valued water based on data from the Asian Development Bank's *Second Water Utilities Data Book: Asian and Pacific Region* (October 1997). We valued electricity based on data from the International Energy Agency's *Energy Prices& Taxes: Quarterly Statistics*(First Quarter, 2000). We relied on the same source for data used to value gasoline.

FHTK reported packing inputs consisting of mesh bags, cartons, packing belts, wood and nails. The wood and nails were used to construct pallets on which to transport the packed cartons of garlic. We used Indian Import Statistics data for the period April 2001 through September 2001 to value all of these inputs.

We valued the truck rate based on average truck rates that were published in the Indian daily, *The Financial Express*(February 14, 2000). We valued brokerage and handling charges based on a value calculated for the less-than-

fair-value investigation of stainless steel wire rod from India.

As we explained in our FOP memorandum, we have not been able to locate financial information of a publicly-traded Indian fresh garlic producer or an Indian producer of other fresh vegetables. Of the publicly available financial information currently on the record, the financial information of three Indian producers of preserved mushrooms constitutes the information from the industry most comparable to the fresh garlic industry. Thus, to value factory overhead, selling, general and administrative expenses, and profit, we used rates based on data taken from the financial information of the mushroom producers. Specifically, we calculated the rates based on the 1999/2000 financial statements of Himalaya International Ltd., Flex Foods Ltd., and Agro Dutch Foods Ltd.

For labor, consistent with 19 CFR 351.408(c)(3), we used the PRC regression-based wage rate that appears on the website for Import Administration (http://ia.ita.doc.gov/wages) under the listing of wage rates for NME countries revised in May 2000. The source of the wage-rate data for the Import Administration's website is the International Labor Organization's *1999 Year Book of Labour Statistics* (Geneva, 1999), ch.5B.

**Preliminary Results of the Review**

We preliminarily determine that the following dumping margins exist for the period November 1, 2000, through October 31, 2001:

| Exporter | Weighted-average percentage margin |
|---|---|
| Golden Light Trading Company, Ltd. | 376.67 |
| Phil-Sino International Trading Inc. | 376.67 |
| Wo Hing (H.K.) Trading Co. | 376.67 |
| Taian Fook Huat Tong Kee Foods Co.[1] | 0.00 |
| PRC-wide rate | 376.67 |

[1] For duty assessment purposes, the results of this review apply only to subject merchandise that was produced and exported to the United States by this company.

The Department will disclose calculations performed in connection with these preliminary results of review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Case briefs must be submitted within 30 days of the date of publication of this notice; case briefs regarding FHTK must be submitted no later than seven days after the issuance of the Department's verification report. Rebuttal briefs, limited to issues raised in the case briefs, must be filed within five days after the deadline for submission of case briefs. Parties who submit argument in these proceedings are requested to submit with the argument a statement of the issue, a brief summary of the argument with an electronic version included, and a table of authorities.

Pursuant to 19 CFR 351.310, any interested party may request a hearing within 30 days of the date of publication of this notice. Any hearing, if requested, will be held three days after the deadline for submission of the rebuttal briefs or the first workday thereafter. In accordance with 19 CFR 351.309(c)(ii), issues raised in hearings will be limited to those raised in the case and rebuttal briefs.

The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any case or rebuttal brief, not later than 120 days after the date of publication of this notice.

**Assessment Rates**

Upon completion of this administrative review, the Department will determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we have calculated an exporter/importer (or customer)-specific assessment value for merchandise subject to this review. The Department will issue appropriate appraisement instructions directly to the Customs Service upon completion of this review. If these preliminary results are adopted in our final results of review, we will direct the Customs Service to assess the resulting assessment rates against the entered customs values for the subject merchandise on each of the importer's/customer's entries during the review period.

**Cash-Deposit Requirements**

The following cash-deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) for merchandise exported by FHTK, the cash-deposit rate will be that established in the final results of this review, except if the rate is less than .50 percent and therefore *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash-deposit rate will be zero; (2) for all other PRC exporters, the rate will continue to be the PRC-wide rate of 376.67 percent; (3) for Golden Light, Phil-Sino, and Wo Hing, the cash-deposit rate will be that established in the final results of this review; and (4) for all other non-PRC exporters of subject merchandise from the PRC, including Clipper, Top Pearl Ltd., and Good Fate International, the cash-deposit rate will be the rate applicable to the PRC supplier of that exporter. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

**Notification to Importers**

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(2)(B) and 777(i)(1) of the Act.

DATED: August 2, 2002.

**Faryar Shirzad,**

*Assistant Secretary forImport Administration.*

[FR Doc. 02–20235 Filed 8–8–02; 8:45 am]

BILLING CODE 3510–DS–S

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–475–818]**

### Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review and Intent Not To Revoke in Part: Certain Pasta From Italy

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review and Intent Not to Revoke in Part.

**SUMMARY:** In response to requests by interested parties, the Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on certain pasta (''pasta'') from Italy for the period of review (''POR'') July 1, 2000 through June 30, 2001.

We preliminarily determine that during the POR, (1) Pastificio Garofalo S.p.A. (''Garofalo'') and (2) Italian

American Pasta Company (''IAPC''), sold subject merchandise at less than normal value (''NV''). If these preliminary results are adopted in the final results of this administrative review, we will instruct the U.S. Customs Service to assess antidumping duties equal to the difference between the export price (''EP'') or constructed export price (''CEP'') and NV.

We preliminarily determine that during the POR, (1) Pastificio Guido Ferrara S.r.l. (''Ferrara'') and (2) Pastificio Fratelli Pagani S.p.A. (''Pagani'') did not make sales of the subject merchandise at less than NV (*i.e.*, made sales at ''zero'' or *de minimis* dumping margins). If these preliminary results are adopted in the final results of this administrative review, we will instruct the U.S. Customs Service to liquidate appropriate entries without regard to antidumping duties. Furthermore, we preliminarily intend not to revoke the antidumping duty order with respect to subject merchandise produced and also exported by Pagani because its sales were not made in commercial quantities (*see* 19 CFR 351.222 (e)); *see* Intent Not to Revoke section of this notice.

Interested parties are invited to comment on these preliminary results. Parties who submit comments in this proceeding should also submit with them: (1) a statement of the issues; (2) a brief summary of the comments; and (3) a table of authorities. Further, parties submitting written comments are requested to provide the Department with an additional copy of the public version of any such comments on diskette.

**EFFECTIVE DATE:** August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Brian Ledgerwood or Mark Young, AD/CVD Enforcement, Office 6, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–3836 or (202) 482–6397, respectively.

**SUPPLEMENTARY INFORMATION:**

## The Applicable Statute and Regulations:

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (''the Act'') by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations refer to the regulations codified at 19 CFR part 351 (2001).

## Case History

On July 24, 1996, the Department published in the **Federal Register** the antidumping duty order on pasta from Italy (61 FR 38547). On July 2, 2001, we published in the **Federal Register** the notice of ''Opportunity to Request Administrative Review'' of this order, for the POR July 1, 2000 through June 30, 2001 (66 FR 34910).

On July 30 and July 31, 2001, we received requests for review from: (1) COREX S.p.A. (''Corex''), (2) Ferrara, (3) Pagani, (4) Garofalo, (5) IAPC, (6) La Molisana Industrie Alimentari S.p.A. (''La Molisana''), and (7) N. Puglisi & F. Industria Paste Alimentari S.p.A. (''Puglisi'') in accordance with 19 CFR 351.213(b)(2). In addition, on July 31, 2001, Pagani requested that the Department revoke the antidumping duty order with respect to it. *See* ''*Intent Not to Revoke*'' section of this notice.

On August 20, 2001, we published the notice of initiation of this antidumping duty administrative review covering the period July 1, 2000, through June 30, 2001, listing these seven companies as respondents. *Notice of Initiation*, 66 FR 43570 (August 20, 2001).

On August 28, 2001, we sent questionnaires to all seven companies.

On September 19, and November 2, 2001, La Molisana and Puglisi, respectively, withdrew their requests for administrative review of the antidumping duty order.

On January 3, 2002, the Department revoked the antidumping order with respect to Corex and Puglisi, based on three years of sales in commercial quantities at not less than NV. *See Notice of Final Results of Antidumping Duty Administrative Review, Partial Rescission of Antidumping Duty Administrative Review and Revocation of Antidumping Duty Order in Part: Certain Pasta From Italy*, 67 FR 300 (January 3, 2002).

During the most recently completed segment in which Pagani [1] participated, the Department disregarded sales that failed the cost test. Pursuant to section 773(b)(2)(A)(ii) of the Act, we have reasonable grounds to believe or suspect that sales by Pagani of the foreign like product under consideration for the determination of NV were made at prices below the cost of production (''COP''). Therefore, we initiated a cost investigation of Pagani in the instant review.

After several extensions, the remaining respondents submitted their responses to sections A through C of the questionnaire by October 25, 2001, and to section D by November 1, 2001. IAPC, Ferrara, and Garofalo were not required to respond to section D.

As stated in its questionnaire response, IAPC filed a Section D response because some of its U.S. sales had no contemporaneous home market matches during the appropriate window period. *See* IAPC's response to the Section D questionnaire (November 1, 2002). Although IAPC had a viable home market, for those sales which did not have a home market match we used constructed value (''CV'').

On March 12, 2002, the Department published an extension of preliminary results of this review until July 30, 2002.[2] *See Certain Pasta from Italy and Turkey: Extension of Preliminary Results of Antidumping Duty Administrative Reviews*, 67 FR 11095 (March 12, 2002).

During March, April, May, June, and July of 2002, the Department issued supplemental and second supplemental questionnaires.

In their March 8, and April 11, 2002, submissions, the petitioners argued that the Department should collapse Pastaficio Antonio Amato & C. S.p.A. (''Amato'') and Garofalo because of alleged affiliation between the two companies. In its rebuttal submission on March, 26, 2002, Garofalo rejected the petitioners' claims, citing a previous court decision as precedence. The Department has determined not to collapse Amato and Garofalo. For a more detailed discussion, *see* Memorandum on ''Whether To Collapse Garofalo and Amato in the Preliminary Results'', dated July 31, 2002, in the case file in the Central Records Unit, main Commerce building, room B–099 (''the CRU'').

On April 17, 2002, the Department extended the deadline for the submission of factual information regarding revocation of the antidumping duty order, in part. Submissions were received from the petitioners [3] and Pagani on May 1, 2002, and rebuttal comments were received from the parties on May 8, 2002.

[1] The fourth administrative review covering the period July 1, 1999, through June 30, 2000, was the most recently completed review for Pagani. *See Certain Pasta From Italy: Final Results of Antidumping Duty Administrative Review*, 67 FR 300 (January 3, 2002).

[2] There was a typographical error in the notice of ''Extension of Preliminary Results of Antidumping Duty Administrative Reviews'; the preliminary results of this review are actually due on July 31, 2002.

[3] New World Pasta Company; Dakota Growers Pasta Company; Borden Foods Corporation; and American Italian Pasta Company.

We verified the sales information submitted by: (1) Garofalo from June 3 through June 7, 2002; (2) IAPC from June 10 through June14, 2002; (3) and Pagani from June 7 through June 12, 2002. We verified the cost information submitted by IAPC from June 11 through June 14, 2002, and Pagani from June 3 through June 6, 2002. We also verified revocation information submitted by Pagani on June 13, 2002.

**Partial Rescission**

We initiated a review of seven companies, *see Notice of Initiation, supra*. On September 19, 2001 and November 2, 2001, respectively, La Molisana and Puglisi withdrew their requests for a review. These requests were submitted within 90 days of the publication of the *Notice of Initiation*. Because there were no other requests for review of La Molisana and Puglisi, and because the letters withdrawing the requests were timely filed, we are rescinding the review with respect to La Molisana and Puglisi in accordance with 19 CFR 351.213(d)(1). Although Corex did not submit a letter withdrawing its request for review, because Corex is no longer covered by the antidumping order, effective July 1, 2000, we are also rescinding the review with respect to it.

**Scope of Review**

Imports covered by this review are shipments of certain non-egg dry pasta in packages of five pounds (2.27 kilograms) or less, whether or not enriched or fortified or containing milk or other optional ingredients such as chopped vegetables, vegetable purees, milk, gluten, diastasis, vitamins, coloring and flavorings, and up to two percent egg white. The pasta covered by this scope is typically sold in the retail market, in fiberboard or cardboard cartons, or polyethylene or polypropylene bags of varying dimensions.

Excluded from the scope of this review are refrigerated, frozen, or canned pastas, as well as all forms of egg pasta, with the exception of non-egg dry pasta containing up to two percent egg white. Also excluded are imports of organic pasta from Italy that are accompanied by the appropriate certificate issued by the Instituto Mediterraneo Di Certificazione, by Bioagricoop Scrl, by QC&I International Services, by Ecocert Italia, by Consorzio per il Controllo dei Prodotti Biologici, or by Associazione Italiana per l'Agricoltura Biologica.

The merchandise subject to review is currently classifiable under item 1902.19.20 of the *Harmonized Tariff Schedule of the United States* (''*HTSUS*''). Although the *HTSUS* subheading is provided for convenience and Customs purposes, the written description of the merchandise subject to the order is dispositive.

**Scope Rulings**

The Department has issued the following scope rulings to date:

(1) On August 25, 1997, the Department issued a scope ruling that multicolored pasta, imported in kitchen display bottles of decorative glass that are sealed with cork or paraffin and bound with raffia, is excluded from the scope of the antidumping and countervailing duty orders. *See* Memorandum from Edward Easton to Richard Moreland, dated August 25, 1997, in the CRU.

(2) On July 30, 1998, the Department issued a scope ruling, finding that multipacks consisting of six one-pound packages of pasta that are shrink-wrapped into a single package are within the scope of the antidumping and countervailing duty orders. *See* Letter from Susan H. Kuhbach, Acting Deputy Assistant Secretary for Import Administration, to Barbara P. Sidari, Vice President, Joseph A. Sidari Company, Inc., dated July 30, 1998, which is available in the CRU.

(3) On October 23, 1997, the petitioners filed an application requesting that the Department initiate an anti-circumvention investigation of Barilla, an Italian producer and exporter of pasta. The Department initiated the investigation on December 8, 1997 (62 FR 65673). On October 5, 1998, the Department issued its final determination that Barilla's importation of pasta in bulk and subsequent repackaging in the United States into packages of five pounds or less constitutes circumvention, with respect to the antidumping duty order on pasta from Italy pursuant to section 781(a) of the Act and 19 CFR 351.225(b). *See Anti-circumvention Inquiry of the Antidumping Duty Order on Certain Pasta from Italy: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 63 FR 54672 (October 13, 1998).

(4) On October 26, 1998, the Department self-initiated a scope inquiry to determine whether a package weighing over five pounds as a result of allowable industry tolerances is within the scope of the antidumping and countervailing duty orders. On May 24, 1999, we issued a final scope ruling finding that, effective October 26, 1998, pasta in packages weighing or labeled up to (and including) five pounds four ounces is within the scope of the antidumping and countervailing duty orders. *See* Memorandum from John Brinkmann to Richard Moreland, dated May 24, 1999, which is available in the CRU.

The following scope ruling is pending:

(1) On April 27, 2000, the Department self-initiated an anti-circumvention inquiry to determine whether Pagani's importation of pasta in bulk and subsequent repackaging in the United States into packages of five pounds or less constitutes circumvention, with respect to the antidumping and countervailing duty orders on pasta from Italy pursuant to section 781(a) of the Act and 19 CFR 351.225(b). *See Certain Pasta from Italy: Notice of Initiation of Anti-circumvention Inquiry of the Antidumping and Countervailing Duty Orders*, 65 FR 26179 (May 5, 2000).

**Verification**

As provided in section 782(i) of the Act, we verified sales and cost information provided by IAPC and Pagani, and the sales information provided by Garofalo. We used standard verification procedures, including on-site inspection of the manufacturers' facilities and examination of relevant sales and financial records. Our verification results are outlined in the company-specific verification reports placed in the case file in the CRU. We revised certain sales and cost data based on verification findings. *See* the company-specific verification reports and calculation memoranda.

**Product Comparisons**

In accordance with section 771(16) of the Act, we first attempted to match contemporaneous sales of products sold in the United States and comparison markets that were identical with respect to the following characteristics: (1) pasta shape; (2) type of wheat; (3) additives; and (4) enrichment. When there were no sales of identical merchandise in the home market to compare with U.S. sales, we compared U.S. sales with the most similar product based on the characteristics listed above, in descending order of priority. When there were no appropriate comparison market sales of comparable merchandise, we compared the merchandise sold in the United States to CV, in accordance with section 773(a)(4) of the Act.

For purposes of the preliminary results, where appropriate, we have calculated the adjustment for differences in merchandise based on the difference in the variable cost of manufacturing (''VCOM'') between each

U.S. model and the most similar home market model selected for comparison.

**Comparisons to Normal Value**

To determine whether sales of certain pasta from Italy were made in the United States at less than NV, we compared the EP or CEP to the NV, as described in the ''*Export Price and Constructed Export Price*'' and ''*Normal Value*'' sections of this notice. In accordance with section 777A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual U.S. transactions. *See* the company-specific verification reports and calculation memoranda.

**Export Price and Constructed Export Price**

For the price to the United States, we used, as appropriate, EP or CEP, in accordance with sections 772(a) and (b) of the Act. We calculated EP when the merchandise was sold by the producer or exporter outside of the United States directly to the first unaffiliated purchaser in the United States prior to importation and CEP was not otherwise warranted based on the facts on the record. We calculated CEP for those sales where a person in the United States, affiliated with the foreign exporter, made the sale to the first unaffiliated purchaser in the United States of the subject merchandise. We based EP and CEP on the packed CIF, ex-factory, FOB, or delivered prices to the first unaffiliated customer in, or for exportation to, the United States. When appropriate, we reduced these prices to reflect discounts and rebates.

In accordance with section 772(c)(2) of the Act, we made deductions, where appropriate, for movement expenses including inland freight from plant or warehouse to port of exportation, foreign brokerage, handling and loading charges, export duties, international freight, marine insurance, U.S. duties, and U.S. inland freight expenses (freight from port to the customer). In addition, when appropriate, we increased EP or CEP as applicable, by an amount equal to the countervailing duty rate attributed to export subsidies in the most recently completed administrative review, in accordance with section 772(c)(1)(C).

For CEP, in accordance with section 772(d)(1) of the Act, when appropriate, we deducted from the starting price those selling expenses that were incurred in selling the subject merchandise in the United States, including direct selling expenses (advertising, cost of credit, warranties, and commissions paid to unaffiliated sales agents). In addition, we deducted indirect selling expenses that related to economic activity in the United States. These expenses include certain indirect selling expenses incurred by affiliated U.S. distributors. We also deducted from CEP an amount for profit in accordance with sections 772(d)(3) and (f) of the Act.

Certain respondents reported the resale of subject merchandise purchased in Italy from unaffiliated producers. In those situations in which an unaffiliated producer of the subject pasta knew at the time of the sale that the merchandise was destined for the United States, the relevant basis for the EP would be the price between that producer and the respondent. *See Dynamic Random Access Memory Semiconductors of One Megabit or Above From the Republic of Korea: Final Results of Antidumping Duty Administrative Review, Partial Rescission of Administrative Review and Notice of Determination Not to Revoke Order,* 63 FR 50867, 50876 (September 23, 1998). In this review, we determined that it was reasonable to assume that the unaffiliated producers knew or had reason to know at the time of sale that the ultimate destination of the merchandise was the United States because virtually all enriched pasta is sold to the United States. *See Notice of Preliminary Results and Partial Recission of Antidumping Duty Administrative Review and Intent to Revoke Antidumping Duty Order in Part: Certain Pasta from Italy,* 65 FR 4867, 4869 (August 8, 2000). Accordingly, consistent with our methodology in prior reviews (*see id.*), when a respondent purchased pasta from other producers and we were able to identify resales of this merchandise to the United States, we excluded these sales of the purchased pasta from the margin calculation for that respondent. Where the purchased pasta was commingled with the respondent's production and the respondent could not identify the resales, we examined both sales of produced pasta and resales of purchased pasta. Inasmuch as the percentage of pasta purchased by any single respondent was an insignificant part of its U.S. sales database, we included the sales of commingled purchased pasta in our margin calculations.

**Normal Value**

*A. Selection of Comparison Markets*

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared each respondent's volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise. Pursuant to sections 773(a)(1)(B) and 773(a)(1)(C) of the Act, because each respondent's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market was viable for all producers.

*B. Arm's-Length Test*

Sales to affiliated customers for consumption in the home market which were determined not to be at arm's-length were excluded from our analysis. To test whether these sales were made at arm's-length, we compared the prices of sales of comparison products to affiliated and unaffiliated customers, net of all movement charges, direct selling expenses, discounts, and packing. Pursuant to 19 CFR 351.403(c) and in accordance with our practice, when the prices to the affiliated party were on average less than 99.5 percent of the prices to unaffiliated parties, we determined that the sales made to the affiliated party were not at arm's-length. *See e.g., Notice of Final Results and Partial Rescission of Antidumping Duty Administrative Review: Roller Chain, Other Than Bicycle, From Japan,* 62 FR 60472, 60478 (November 10, 1997), and *Antidumping Duties; Countervailing Duties: Final Rule* (*''Antidumping Duties''*), 62 FR 27295, 27355–56 (May 19, 1997). We included in our NV calculations those sales to affiliated customers that passed the arm's-length test in our analysis. *See* 19 CFR 351.403; *Antidumping Duties,* 62 FR at 27355–56.

*C. Cost of Production Analysis*

1. Calculation of COP

Before making any comparisons to NV, we conducted a COP analysis of Pagani, pursuant to section 773(b) of the Act, to determine whether the respondent's comparison market sales were made below the COP. We calculated the COP based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for selling, general, and administrative expenses (''SG&A'') and packing, in accordance with section 773(b)(3) of the Act. We relied on the respondent's information as submitted, except in instances where we used revised data based on verification findings. *See* the company-specific calculation memoranda on file in the CRU, for a description of any changes that we made.

2. Test of Comparison Market Prices

As required under section 773(b) of the Act, we compared the weighted-average COP to the per-unit price of the comparison market sales of the foreign like product, to determine whether these sales had been made at prices below the COP within an extended period of time in substantial quantities, and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time. We determined the net comparison market prices for the below-cost test by subtracting from the gross unit price any applicable movement charges, discounts, rebates, direct and indirect selling expenses (also subtracted from the COP), and packing expenses.

3. Results of COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in ''substantial quantities.'' Where 20 percent or more of a respondent's sales of a given product were at prices less than the COP, we determined such sales to have been made in ''substantial quantities'' within an extended period of time in accordance with section 773(b)(2)(B) and (C) of the Act. In such cases, because we compared prices to POR-average costs, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Therefore, for purposes of this administrative review, we disregarded the below-cost sales and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act. Specifically, we are preliminarily disregarding below-cost sales made by Pagani in this administrative review.

*D. Calculation of Normal Value Based on Comparison Market Prices*

We calculated NV based on ex-works, FOB or delivered prices to comparison market customers. We made deductions from the starting price, when appropriate, for handling, loading, inland freight, warehousing, inland insurance, discounts, and rebates. We added interest revenue. In accordance with sections 773(a)(6)(A) and (B) of the Act, we added U.S. packing costs and deducted comparison market packing, respectively. In addition, we made circumstance of sale (''COS'') adjustments for direct expenses, including imputed credit expenses, advertising, warranty expenses, commissions, bank charges, and billing adjustments, in accordance with section 773(a)(6)(C)(iii) of the Act.

We also made adjustments, in accordance with 19 CFR 351.410(e), for indirect selling expenses incurred on comparison market or U.S. sales where commissions were granted on sales in one market but not in the other (the ''commission offset''). Specifically, where commissions are incurred in one market, but not in the other, we will limit the amount of such allowance to the amount of the other selling expenses incurred in the one market or the commissions allowed in the other market, whichever is less.

When comparing U.S. sales with comparison market sales of similar, but not identical, merchandise, we also made adjustments for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act and section 19 CFR 351.411 of the Department's regulations. We based this adjustment on the difference in the VCOM for the foreign like product and subject merchandise, using POR-average costs.

Sales of pasta purchased by the respondents from unaffiliated producers and resold in the comparison market were treated in the same manner described above in the ''*Export Price and Constructed Export Price*'' section of this notice.

*E. Calculation of Normal Value Based on Constructed Value*

For IAPC, when we could not determine the NV based on comparison market sales because there were no contemporaneous sales of a comparable product, we compared the EP to CV. In accordance with section 773(e) of the Act, we calculated CV based on the sum of the cost of manufacturing (''COM'') of the product sold in the United States, plus amounts for SG&A expenses, profit, and U.S. packing costs. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred by IAPC in connection with the production and sale of the foreign like product in the comparison market.

For price-to-CV comparisons, we made adjustments to CV for COS differences, in accordance with section 773(a)(8) of the Act and 19 CFR 351.410. We made COS adjustments by deducting direct selling expenses incurred on comparison market sales and adding U.S. direct selling expenses.

*F. Level of Trade*

In accordance with section 773(a)(1)(B) of the Act, we determined NV based on sales in the comparison market at the same level of trade (''LOT'') as the EP and CEP sales, to the extent practicable. When there were no sales at the same LOT, we compared U.S. sales to comparison market sales at a different LOT. When NV is based on CV, the NV LOT is that of the sales from which we derive SG&A expenses and profit.

Pursuant to section 351.412 of the Department's regulations, to determine whether comparison market sales were at a different LOT, we examined stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated (or arm's-length) customers. If the comparison-market sales are at a different LOT and the differences affect price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Act.

Finally, if the NV LOT is more remote from the factory than the CEP LOT and there is no basis for determining whether the differences in LOT between NV and CEP affected price comparability, we grant a CEP offset, as provided in section 773(a)(7)(B) of the Act. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731, 61732–33 (November 19, 1997). Specifically in this review, we did not make an LOT adjustment for any respondent. However, we granted a CEP offset for IAPC.

For a detailed description of our LOT methodology and a summary of company-specific LOT findings for these preliminary results, *see* the company-specific verification reports, calculation memoranda, and LOT memoranda, all on file in the CRU.

*G. Company-Specific Issues*

We relied on the respondents' information as submitted, except in instances where, based on verification findings, we made modifications to the calculation of NV and EP or CEP. *See* the company-specific calculation memoranda on file in the CRU.

**Currency Conversion**

For purposes of these preliminary results, we made currency conversions in accordance with section 773A(a) of the Act, based on the official exchange rates published by the Federal Reserve.

**Intent Not To Revoke**

On July 31, 2001, Pagani, submitted a letter to the Department requesting, pursuant to 19 CFR 351.222(e), revocation of the antidumping duty order with respect to its sales of the subject merchandise. Pagani submitted along with its revocation request a certification stating that: (1) the company sold subject merchandise at not less than NV during the POR, and that in the future it would not sell such merchandise at less than NV (*see* 19 CFR 351.222(e)(1)(i)); (2) the company sold the subject merchandise to the United States in commercial quantities during each of the past three years (*see* 19 CFR 351.222(e)(1)(ii)); and (3) the company agrees to immediate reinstatement of the order, if the Department concludes that the company, subsequent to revocation, has sold the subject merchandise at less than NV (*see* 19 CFR 351.222(b)(1)(iii)).

On April 4, 2002, the petitioners opposed the request for revocation, arguing that Pagani's sales to the United States during the past three periods (including the current period) were not made in commercial quantities, and if the order were revoked, Pagani would sell subject merchandise at less than NV in the United States in the future. At the request of the Department, the petitioners and Pagani submitted comments on Pagani's request for revocation (*see* May 1, and May 8, 2002, revocation submissions submitted by the parties).

The Department ''may revoke, in whole or in part'' an antidumping duty order upon completion of a review under section 751 of the Act. *See* section 751(d) of the Act. While Congress has not specified the procedures that the Department must follow in revoking an order, the Department has developed a procedure for revocation that is described in 19 CFR 351.222. The regulation requires that exporters or producers covered by the order and desiring revocation submit the following: (1) a certification that the company has sold the subject merchandise at not less than NV in the current review period and that the company will not sell at less than NV in the future; (2) a certification that the company sold the subject merchandise for at least three consecutive years in commercial quantities; and (3) an agreement to immediate reinstatement of the order if the Department concludes that the company, subsequent to the revocation, has sold subject merchandise at less than NV. *See* 19 CFR 351.222(e)(1).

Upon receipt of such a request, the Department will consider the following in determining whether to revoke the order in part: (1) whether the producer or exporter requesting revocation has sold subject merchandise at not less than NV for a period of at least three consecutive years; (2) whether the continued application of the antidumping duty order is otherwise necessary to offset dumping; and (3) whether the producer or exporter requesting revocation in part has agreed in writing to the immediate reinstatement of the order, as long as any exporter or producer is subject to the order, if the Department concludes that the exporter or producer, subsequent to revocation, sold the subject merchandise at less than NV. *See* 19 CFR. 351.222(b)(2).

Pagani submitted the required certifications and agreements. However, after applying the criteria outlined in section 351.222(b) of the Department's regulations, and after considering the comments of the parties and of the evidence on the record, we have preliminarily determined that one of the Department's requirements for revocation has not been met. Specifically, although we preliminarily find that Pagani has demonstrated three consecutive years of sales at not less than NV, we also preliminarily find that, based on Pagani's U.S. shipment data, its sales to the United States have not been made in commercial quantities during each of the three review periods at issue, in accordance with 19 CFR 351.222(d) and 351.222(e)(1)(ii).

In particular, data on the record indicate that the amount of subject merchandise sold in the U.S. market by Pagani during the third, fourth, and fifth (*i.e.*, the current) POR is small in quantity relative to Pagani's total U.S. sales volume during the period of investigation (''POI''). We conclude that Pagani's sales during these PORs do not provide any meaningful information concerning Pagani's normal commercial practice. Consequently, we find that Pagani's shipments during these PORs are not a reasonable basis for finding commercial quantities.[4]

Therefore, we have determined that the requirements for revocation have not been met because Pagani has not made sales to the United States in commercial quantities during the third, fourth, or fifth segment of this proceeding.[5] Based on our examination of these facts at verification and our review of Pagani's sales practices, we find that, consistent with Department practice, we do not have a sufficient basis to conclude that the *de minimis* dumping margin calculated for Pagani for the third, fourth, or fifth administrative review is reflective of the company's normal commercial experience. *See, e.g., Silicon Metal from Brazil*, 65 FR at 7498 (finding that because sales and volume figures were so small the Department could not conclude that the reviews reflected what the company's normal commercial experience would be absent an antidumping duty order). Because Pagani has not met the commercial quantities requirement, we have not examined the issue as to whether the antidumping duty order is necessary to offset future dumping (*see Silicon Metal from Brazil*, 65 FR at 7505).

Pagani attempts to explain that the significant decrease in its sales volume during the third, fourth, and fifth administrative review periods was due to the alleged effect of the antidumping duty cash deposit rate required on its U.S. shipments of pasta as a result of the final results of the first administrative review of the order on Pasta from Italy (64 FR 6615, February 10, 1999). Pagani states that the cash deposit rate was a major factor affecting its substantial reduction in U.S. sales during the subsequent PORs. Whether this is the case or not does not detract from the record evidence which unequivocally demonstrates that the volume of such sales was far below the volume of Pagani's sales prior to the imposition of the antidumping duty order.[6] Moreover,

[4] Pagani's history of subject merchandise pasta sales is as follows: Pagani's 3rd POR sales of subject pasta were 2.98% of its POI sales of subject pasta. Pagani's 4th POR sales of subject pasta were 0.94% of its POI sales of subject pasta. Pagani's 5th POR sales of subject pasta were 1.06% of its POI sales of subject pasta.

[5] As we noted in *Pure Magnesium from Canada; Final Results of Antidumping Duty Administrative Review and Determination Not To Revoke Order In Part,* 64 FR 12977, 12979 (March 16, 1999) (*Pure Magnesium from Canada*), sales in commercial quantities is a threshold requirement that must be met by parties seeking revocation. We also note that while the regulation requiring sales in commercial quantities may have developed from the unreviewed intervening year regulation, its application in all revocation cases based on the absence of dumping is reasonable and mandated by the regulations. The application of this requirement to all such cases is reflected not only in the provision for unreviewed intervening years (*see* 19 C.F.R. 351.222 (d)(1)), but also in the new general requirement that parties seeking revocation certify to sales in commercial quantities in each of the years on which revocation is to be based. *See* 19 C.F.R. 351.222(e)(1)(ii). This requirement ensures that the Department's revocation determination is based upon a sufficient breadth of information regarding a company's normal commercial practice. *See Pure Magnesium from Canada*, 64 FR at 12979.

[6] While we note that Pagani argues that the U.S. market is a vibrant and changing market, dominated by large integrated domestic producers (*see* Pagani's May 8, 2002 revocation rebuttal submission), it has not submitted any information on the record which

it is the volume of these sales (not Pagani's alleged reasons for their size in this case) that is the focus of the Department's analysis with respect to whether they can be considered to be in commercial quantities.

Based on the foregoing analysis, we have preliminarily determined that Pagani has not met one of the threshold requirements for revocation (*i.e.*, sales in commercial quantities during the three consecutive PORs). We therefore preliminarily intend not to revoke the order, with respect to pasta produced and also exported by Pagani, if these preliminary findings are affirmed in our final results.

**Preliminary Results of Review**

As a result of our review, we preliminarily determine that the following percentage weighted-average margins exist for the period July 1, 1999, through June 30, 2000:

| Manufacturer/exporter | Margin (percent) |
|---|---|
| IAPC | 7.04 |
| Ferrara | 0.38 |
| Garofalo | 0.77 |
| Pagani | 0.00 |

The Department will disclose calculations performed within five days of the date of publication of this notice to the parties of this proceeding in accordance with 19 CFR 351.224(b). An interested party may request a hearing within 30 days of publication of these preliminary results. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held 44 days after the date of publication, or the first working day thereafter. Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. Rebuttal briefs limited to issues raised in such briefs, may be filed no later than 37 days after the date of publication. Parties who submit arguments are requested to submit with the argument (1) a statement of the issue, (2) a brief summary of the argument and (3) a table of authorities. Further, parties submitting written comments are requested to provide the Department with an additional copy of the public version of any such comments on diskette. The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, or at a hearing, if requested, within 120 days of publication of these preliminary results.

**Assessment Rate**

Pursuant to 19 CFR 351.212(b), the Department calculated an assessment rate for each importer of the subject merchandise. Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (*i.e.*, at or above 0.5 percent), the Department will issue appraisement instructions directly to the U.S. Customs Service to assess antidumping duties on appropriate entries by applying the assessment rate to the entered value of the merchandise. For assessment purposes, we calculated importer-specific assessment rates for the subject merchandise by aggregating the dumping margins for all U.S. sales to each importer and dividing the amount by the total entered value of the sales to that importer. Where appropriate, in order to calculate the entered value, we subtracted international movement expenses (*e.g.*, international freight) from the gross sales value.

**Cash Deposit Requirements**

To calculate the cash deposit rate for each producer and/or exporter included in this administrative review, we divided the total dumping margins for each company by the total net value for that company's sales during the review period.

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of certain pasta from Italy entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rates for the companies listed above will be the rates established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, *de minimis*, the cash deposit will be zero; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent final results in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 11.26 percent, the ''All Others'' rate established in the LTFV investigation. *See Notice of Antidumping Duty Order and Amended Final Determination of Sales at Less Than Fair Value: Certain Pasta from Italy,* 61 FR 38547 (July 24, 1996).

These cash deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

**Notification to Importers**

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: July 31, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

[FR Doc. 02–20237 Filed 8–8–02; 8:45 am]

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would indicate the U.S. consumer market has diminished since the imposition of the order, or that Pagani has made any permanent changes in its own business practices in the U.S. market. *See Professional Electric Cutting Tools From Japan: Final Results of the Fifth Antidumping Duty Administrative Review and Revocation of the Antidumping Order in Part,* 64 FR 71411 (December 21, 1999). *See* also, *Polyvinyl Alcohol From Taiwan: Final Results of Third Antidumping Duty Administrative Review and Determination Not To Revoke Order in Part,* 65 FR 60615 (October 12, 2000) and accompanying Decision Memorandum at Comment 1.a.: Application of the Commercial Quantities Regulation to Chang Chun's U.S. Sales of Subject Merchandise.

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–570–851]**

### Amended Final Results of Antidumping Duty Administrative Review: Certain Preserved Mushrooms from the People's Republic of China

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**EFFECTIVE DATE:** August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Sophie Castro or Brian Smith, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–0588 or (202) 482–1766, respectively.

**SUPPLEMENTARY INFORMATION:**

## Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act) are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR part 351 (2001).

## Amendment to Final Results

In accordance with section 751(a) of the Act, on July 12, 2002, the Department published the final results of the 2000–2001 administrative review of the antidumping duty order on certain preserved mushrooms from the People's Republic of China (PRC), in which we determined that certain U.S. sales of the subject merchandise were made at less than normal value (67 FR 46173). On July 15, 2002, we received an allegation, timely filed pursuant to 19 CFR 351.224(c)(2), from Gerber Food (Yunnan) Co., Ltd. (Gerber) that the Department made a ministerial error in its final results. The petitioners[1] did not comment on the alleged ministerial error.

After analyzing Gerber's submission, we have determined, in accordance with 19 CFR 351.224, that a ministerial error was made in our final margin calculation for Gerber. Specifically, we incorrectly applied the surrogate value for cans and lids in the calculation of Gerber's factors of production-based normal value. For a detailed discussion of the ministerial error, as well as the Department's analysis, see the memorandum to Louis Apple from the Team, dated July 29, 2002.

Therefore, in accordance with 19 CFR 351.224(e), we are amending the final results of the 2000–2001 antidumping duty administrative review of the order on certain preserved mushrooms from the PRC. The revised dumping margins are as follows:

| Exporter/Manufacturer | Original Final Margin Percentage | Revised Final Margin Percentage |
|---|---|---|
| Gerber Food (Yunnan) Co., Ltd. | 14.79 | 0.00 |
| Raoping Xingyu Foods, Co., Ltd. | 161.57 | 161.57 (no change) |
| Shantou Hongda Industrial General Corporation | 0.00 | 0.00 (no change) |
| Shenxian Dongxing Foods Co., Ltd. | 0.00 | 0.00 (no change) |

We will notify the Customs Service of the revised cash deposit rate for Gerber.

## Scope of the Order

The products covered by the order are certain preserved mushrooms whether imported whole, sliced, diced, or as stems and pieces. The preserved mushrooms covered under the order are the species *Agaricus bisporus* and *Agaricus bitorquis*. ''Preserved mushrooms'' refer to mushrooms that have been prepared or preserved by cleaning, blanching, and sometimes slicing or cutting. These mushrooms are then packed and heated in containers including but not limited to cans or glass jars in a suitable liquid medium, including but not limited to water, brine, butter or butter sauce. Preserved mushrooms may be imported whole, sliced, diced, or as stems and pieces. Included within the scope of the order are ''brined'' mushrooms, which are presalted and packed in a heavy salt solution to provisionally preserve them for further processing.

Excluded from the scope of the order are the following: (1) all other species of mushroom, including straw mushrooms; (2) all fresh and chilled mushrooms, including ''refrigerated'' or ''quick blanched mushrooms''; (3) dried mushrooms; (4) frozen mushrooms; and (5) ''marinated,'' ''acidified'' or ''pickled'' mushrooms, which are prepared or preserved by means of vinegar or acetic acid, but may contain oil or other additives.[2]

The merchandise subject to the order is currently classifiable under subheadings 2003.10.0027, 2003.10.0031, 2003.10.0037, 2003.10.0043, 2003.10.0047, 2003.10.0053, and 0711.90.4000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

These amended final results of administrative review and notice are in accordance with section 751(h) of the Act and 19 CFR 351.224(e).

Dated: August 2, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration*

[FR Doc. 02–20233 Filed 8–8–02; 8:45 am]

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[1] The Coalition for Fair Preserved Mushroom Trade includes the American Mushroom Institute and the following domestic companies: L.K. Bowman, Inc., Nottingham, PA; Modern Mushroom Farms, Inc., Toughkenamon, PA; Monterey Mushrooms, Inc., Watsonville, CA; Mount Laurel Canning Corp., Temple, PA; Mushrooms Canning Company, Kennett Square, PA; Southwood Farms, Hockessin, DE; Sunny Dell Foods, Inc., Oxford, PA; United Canning Corp., North Lima, OH.

[2] On June 19, 2000, the Department affirmed that ''marinated,'' ''acidified,'' or ''pickled'' mushrooms containing less than 0.5 percent acetic acid are within the scope of the antidumping duty order. See ''Recommendation Memorandum--Final Ruling of Request by Tak Fat, *et al.* for Exclusion of Certain Marinated, Acidified Mushrooms from the Scope of the Antidumping Duty Order on Certain Preserved Mushrooms from the People's Republic of China,'' dated June 19, 2000.

# DEPARTMENT OF COMMERCE

## International Trade Administration

**[A–821–817]**

## Notice of Postponement of Preliminary Determination of Antidumping Duty Investigation: Silicon Metal From the Russian Federation

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of postponement of preliminary determination in the antidumping duty investigation of silicon metal from the Russian Federation.

**SUMMARY:** The Department of Commerce (''Department'') is postponing the preliminary determination in the antidumping duty investigation of silicon metal from the Russian Federation from August 14, 2002, until no later than September 13, 2002. This postponement is made pursuant to section 733(c)(1)(B) of the Tariff Act of 1930, as amended.

**EFFECTIVE DATE:** August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** Carrie Blozy or Cheryl Werner, at the Import Administration, International Trade Administration, U.S. Department

of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–0165, (202) 482–2667 respectively.

**Applicable Statute and Regulations**

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (''Act'') by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR part 351 (2002).

**Postponement of Preliminary Determination**

On March 27, 2002, the Department initiated an antidumping duty investigation of imports of silicon metal from the Russian Federation. The notice of initiation stated that we would issue our preliminary determination no later than 140 days after the date of initiation. *See* 67 FR 15791 (April 3, 2002).

Under section 733(c)(1)(B) of the Act, the Department can extend the period for reaching a preliminary determination until not later than the 190th day after the date on which the administering authority initiates an investigation if:

(B) The administering authority concludes that the parties concerned are cooperating and determines that:

(i) The case is extraordinarily complicated by reason of:

(I) The number and complexity of the transactions to be investigated or adjustments to be considered,

(II) The novelty of the issues presented, or

(III) The number of firms whose activities must be investigated; and

(ii) Additional time is necessary to make the preliminary determination.

Regarding the first requirement, we find that all concerned parties are cooperating. Regarding the second requirement, we find that this case is extraordinarily complicated for the following reasons:

The investigation of Bratsk Aluminum Smelter (''BAS'') and Rual Trade Limited (''RTL'') is extraordinarily complicated because of several parties, involvement in the sale of silicon metal to the United States and the complex issues associated with it. The Department is considering the relationship between RTL, the exporter, and BAS, the producer, as well as Russian Aluminum Management (''RAM'') and Russian Aluminum (''RA''), for the sale or exportation of silicon metal to the United States. The investigation of ZAO Kremny, SUAL-Kremny-Ural (''SKU''), and Pultwen Ltd. is extraordinarily complicated because of several parties' involvement in the production and sale of silicon metal to the United States. Both ZAO Kremny and SKU are producers of the subject merchandise. Moreover, we are examining whether a principal/agent relationship exists between Pultwen Ltd. and a certain U.S. customer of silicon metal. We have issued several extensive supplemental questionnaires to ZAO Kremny, SKU, and Pultwen Ltd. regarding their production, sales and distribution process. For these reasons, pursuant to 733(c)(1)(B) of the Act, we are postponing the preliminary determination in this investigation until September 13, 2002.

This notice is issued and published pursuant to section 733(c)(2) of the Act and 19 CFR 351.205(f).

Dated: August 2, 2002.

**Faryar Shirzad,**

*Assistant Secretary for Import Administration.*

[FR Doc. 02–20239 Filed 8–8–02; 8:45 am]

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## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

**[Docket No. 990810211–2169–03]**

**RIN 0648–ZA69**

### National Marine Fisheries Service—Sea Grant Joint Graduate Fellowship Program in Population Dynamics and Marine Resource Economics: Request for Applications for FY 2003

**AGENCY:** National Sea Grant College Program, National Oceanic and Atmospheric Administration, Department of Commerce.

**ACTION:** Notice of request for applications.

**SUMMARY:** The purpose of this notice is to advise the public that the National Sea Grant College Program (Sea Grant) is seeking applications for one of its fellowship programs to fulfill its broad educational responsibilities and to strengthen the collaboration between Sea Grant and the National Marine Fisheries Service (NMFS). The NMFS—Sea Grant Joint Graduate Fellowship Program in Population Dynamics and Marine Resource Economics (Program), which is available to US citizens who are graduate students enrolled in PhD degree programs in academic institutions in the United States and its territories, with required institutional matching funds, expects to support four or five new Fellows in FY 2003. Fellows will work on thesis problems of public interest and relevance to NMFS and have summer internships at participating NMFS Science Centers or Laboratories under the guidance of NMFS mentors.

**DATES:** Applications must be received by 5 p.m. (local time) on December 3, 2002 by a state Sea Grant Program [or by the National Sea Grant Office (NSGO) in the case of an academic institution in a non-Sea Grant state]. Note that applications arriving after these deadlines will be accepted for review only if the applicant can document that the application was provided to a delivery service that guaranteed delivery (*see* **ADDRESSES** below) prior to the specified closing date and time; in any event, applications received by the NSGO or the state Sea Grant Programs later than two business days following the closing date will not be accepted. Facsimile transmissions and electronic mail submission of applications will not be accepted.

**ADDRESSES:** Applications originating from academic institutions in Sea Grant states must be submitted to the state Sea Grant Program. Applications originating elsewhere may be submitted either to the nearest state Sea Grant Program or directly to the NSGO. Sea Grant's Web site lists the addresses of the state Sea Grant College Program directors (*http://www.nsgo.seagrant.org/SGDirectors.html*) and the participating NMFS Facilities (*http://www.nsgo.seagrant.org/research/rfp/NMFS_Labs.html*), or those addresses may also be obtained by contacting the NSGO. Applications submitted to the NSGO should be addressed to: National Sea Grant Office, R/SG, Attn: Mrs. Geraldine Taylor, Proposal Processing, Room 11732, NOAA, 1315 East-West Highway, Silver Spring, MD 20910 (telephone number for express mail applications is 301–713–2445).

**FOR FURTHER INFORMATION CONTACT:** Information may be obtained from Dr. Emory D. Anderson, National Sea Grant College Program, 1315 East-West Highway, Silver Spring, MD 20910; tel: (301) 713–2435 ext. 144; e-mail: *emory.anderson@noaa.gov;* from any state Sea Grant Program (see **ADDRESSES**); or from any participating NMFS facility (see **ADDRESSES**).

**SUPPLEMENTARY INFORMATION:** National Marine Fisheries Service—Sea Grant Joint Graduate Fellowship Program in Population Dynamics and Marine Resource Economics.

**I. Program Authority**

**Authority:** 33 U.S.C. 1127(a).

(Catalog of Federal Domestic Assistance Number: 11.417, Sea Grant Support)

## II. Description of Program

The National Sea Grant Office (NSGO) and the National Marine Fisheries Service (NMFS) established a new Graduate Fellowship Program in Population Dynamics and Marine Resource Economic (Program) in 1999. The intent of the Program is to award fellowships to about four new students each year who are interested in careers related to (1) the population dynamics of living marine resources and the development and implementation of quantitative methods for assessing their status, and (2) the economics of the conservation and management of living marine resources. At least two new fellowships are to be awarded each year in each of the Program's two disciplines resulting in about six students per discipline to be supported annually when the Program is at its maximum level.

For the FY 2003 competition now being announced, it is anticipated that funds will be available to award five new fellowships in the two disciplines combined.

The goals of the Program are to (1) encourage qualified applicants to pursue careers in (a) population dynamics and stock assessment methodology or (b) marine resource economics; (2) increase available expertise related to (a) the population dynamics and assessment of the status of the stocks of living marine resources or (b) economic analysis of living marine resource conservation and management decisions; (3) foster closer relationships between academic scientists and NMFS; and (4) provide real-world experience to graduate students and accelerate their career development.

The fellowships will provide support for up to three years for highly qualified graduate students working towards a PhD in population dynamics or related fields of study and for up to two years for highly qualified graduate students working towards a PhD in marine resource economics, natural resource economics, or environmental economics. Continued support after the first year will be contingent upon the availability of Federal funds and satisfactorily performance by the Fellow. In addition to his/her faculty adviser, each Fellow will be required to work closely with an expert (mentor) from NMFS who will provide data for the Fellow's thesis, serve on the Fellow's committee, and host an annual summer internship at the participating NMFS facility.

Mentors will be from participating NMFS Science Centers or Laboratories. Each Fellow will be required to work as a summer intern at the participating NMFS facility either on his/her thesis or on appropriate related problems. Remuneration for the summer internship will be part of the annual, award along with the support the Fellow receives during the academic year. Population Dynamics Fellows will also be expected to spend 10–20 days at sea per year learning, about sampling techniques and problems, commercial fishing, fishery biology, and local and regional issues of importance to fisheries management. Fellows may also work, as necessary, at the participating NMFS facility during some or all of the academic year at the mutual discretion of mentor, faculty adviser, and Fellow.

Newly-selected Fellows must submit a one-page description of their thesis research or assignment based on discussions involving mentor, faculty adviser, and Fellow to the Fellowship Program Manager by April 30, 2003. The thesis research or assignment description must reflect a clear mutual understanding of the substantive dimensions of the project and its expected results.

Fellows must, for each year of their fellowship, provide a written summary of their accomplishments and activities during the preceding year to the Fellowship Program Manager. This summary must accompany the request for each additional year's funding. Fellows will be expected to present a review of their research during the Annual Graduate Fellows Seminar held each spring at the NOAA facilities in Silver Spring, MD.

The award for each Fellowship, contingent upon the availability of Federal funds, will be in the form of a grant or cooperative agreement of $38,000 per year, 50 percent ($19,000) of which will be contributed by NMFS, 33⅓ percent ($12,667) by the NSGO, and 16⅔ percent ($6,333) by the academic institution as the required 50 percent match of NSGO funds; the involvement of NMFS in cooperative agreements is described above. The portion of the award provided to each Fellow for salary (stipend), living expenses (per diem), tuition (unless waived), health insurance and other institution fees, and travel necessary to carry out the proposed thesis research and to attend the Annual Graduate Fellows Seminar each spring in Silver Spring, MD will be determined and distributed by the institution in accordance with its guidelines.

## III. Eligibility

Any student may apply who is a United States citizen. At the time of application, prospective Population Dynamics Fellows must be admitted to a PhD degree program in population dynamics or a related field such as applied mathematics, statistics, or quantitative ecology at an academic institution in the United States or its territories, or submit a signed letter from the institution indicating provisional acceptance to a PhD degree program conditional on obtaining financial support such as this fellowship. At the time of application, prospective Marine Resource Economics Fellows must be in the process of completing at least two years of course work in a PhD degree program in natural resource economics or a related field at an academic institution in the United States or its territories.

## IV. Evaluation Criteria

Evaluation criteria will include (1) relevant academic ability and achievement, particularly quantitative skills (35 percent); (2) demonstrated research ability in the discipline and appropriateness/importance of proposed thesis topic (30 percent); (3) expertise of major professor (20 percent); and (4) additional relevant experience (15 percent).

## V. Selection Procedures

Applications will be ranked in accordance with the above criteria and their assigned weights by a single, independent, national review panel consisting of government and academic experts for each of the two disciplines. The panel members will provide individual evaluations of each applicant, but there will be no consensus advice. Their recommendations and evaluations will be considered by the NSGO in the final selection. Only those applications receiving a minimum score of 50 percent by the panel will be eligible for funding. For those applications, the NSGO will (1) ascertain which best meet the objectives of the Program; (2) give priority to NMFS Fisheries Science Centers which do not currently have Fellows; and (3) select the applications to be funded. Accordingly, awards may not necessarily be made to the highest-scoring applications in each discipline. Applicants may be asked to modify objectives, work plans, or budgets prior to final approval of the award. Subsequent grant administration procedures will be in accordance with current NOAA grants procedures. A summary statement of the review of the

application by the review panel will be provided to each applicant.

## VI. Timetable

December 3, 2002, 5 p.m. (local time)—Applications must be received by state Sea Grant Program or by NSGO (only if application is from an academic institution in a non-Sea Grant state).

December 10, 2002, 5 p.m. EST—Applications due at NSGO from state Sea Grant Programs.

June 1, 2003 (approximate)—Funds awarded.

Note that applications arriving after the above deadlines will be accepted for review only if the applicant can document that the application was provided to a delivery service that guaranteed delivery (*see* **ADDRESSES** above) prior to the specified closing date and time; in any event, applications received by the NSGO or the state Sea Grant Programs later than two business days following the closing date will not be accepted. Facsimile transmissions and electronic mail submission of applications will not be accepted.

## VII. Application Instructions

*A. General Guidelines*

All printed pages in the application must be on either metric A4 (210 mm × 297 mm) or 8.5″ × 11″ paper with at least a 10-point font. Applications must include the items listed below.

1. *Signed Title Page:* The title page must identify the prospective Fellow, be signed by the Faculty Advisor and the institutional representative, and provide complete contact information. The program area being addressed should be clearly identified by starting the project title with ''NMFS—Sea Grant Graduate Fellowship''. The total amount of Federal and matching funds being requested for each project year must be listed.

2. *Project Summary:* The project summary should concisely describe the activity being proposed and the impact that would result from its successful completion, in a form suitable for publication. Applicants are encouraged to use the Sea Grant Project Summary Form 90–2, but may use their own form as long as it provides the same information as the Sea Grant form. The project summary should include: a. *Title:* Use the exact title as it appears in the rest of the application. b. *Investigators:* List the names and affiliations of each investigator who will significantly contribute to the project, starting with the faculty advisor. c. Funding request for each year of the Fellowship, including matching funds. d. *Project Period:* Start and completion dates. Applications should request a start date of June 1, 2003, e. *Project Abstract:* This should include the rationale for the proposed activity, the scientific or technical objectives and/or hypotheses to be tested, and a brief summary of the work to be completed.

3. *Budget and Budget Justification:* There should be a separate budget for each year as well as a cumulative annual budget for the entire period of the proposed fellowship. The Sea Grant Budget Form 90–4 should preferably be used, but the institution may use its own form as long as it provides the same information as the Sea Grant form. Subrecipients or contractors, if any, should have a separate budget page. Indirect costs are not allowable for either the fellowship or for any costs associated with the fellowship (15 CFR 917.11(e), ''Guidelines for Sea Grant Fellowships'').

Matching funds equivalent to 50 percent of the NSGO funds must be provided by the Fellow's institution. Allocation of matching funds must be specified in the budget and may consist of up to one/half month's salary for the faculty adviser, waived tuition, equipment and supplies, and any other costs typically used as matching funds. In addition to stipend and tuition for the applicant, the budget should include funds for equipment, supplies, and travel (*see ''Description of Program''* above).

4. Curriculum vitae of the student, the faculty advisor, and the NMFS research mentor (2-page maximum per investigator).

5. Signed letter of commitment from the prospective NMFS mentor.

6. Official copies of all undergraduate and graduate student transcripts.

7. Education and career goal statement (not to exceed two pages) from the student indicating the number of years for which fellowship support is being sought and the student's interest in (a) marine population dynamics or the development and implementation of quantitative methods for assessing stock status of living marine resources, or (b) in marine resource economics (a summary of the proposed thesis or the general intended area of study should be included, if available).

8. Three signed letters of recommendation, including one from the student's faculty adviser.

9. Proof of application, acceptance, provisional acceptance, and enrollment (only for Population Dynamics applicants) in the case of students entering graduate school (*i.e.,* who have not yet completed one semester of graduate work) if they are selected for a fellowship.

## VIII. How To Submit

Ten (10) copies of applications must be submitted to the state Sea Grant Programs or to the NSGO according to the schedule outlined above (*See* **ADDRESSES** and *''Timetable''*). The addresses of the state Sea Grant College Programs may be found at the following Internet Web site: (*http://www.nsgo.seagrant.org/SGDirectorws.html*). Applications sent to the NSGO should be addressed to: National Sea Grant Office, R/SG, Attn: Mrs. Geraldine Taylor, Applications Processing, Room 11732, NOAA, 1315 East-West Highway, Silver Spring, MD 20910 (telephone number for express mail applications is 301–713–2445). Facsimile transmissions and electronic mail submission of applications will not be accepted.

## IX. Other Requirements

The Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements contained in the **Federal Register** notice of October 1, 2001 (66 FR 49917) are applicable to this solicitation. However, please note that the Department will not implement the requirements of Executive Order 13202 (66 FR 49921), pursuant to guidance issued by the Office of Management and Budget in light of a court opinion which found that the Executive Order was not legally authorized. *See Building and Construction Trades Department* v. *Allbaugh*, 172 F. Supp. 2d 138 (D.D.C. 2001). This decision is currently on appeal. When the case has been finally resolved, the Department will provide further information on implementation of Executive Order 13202. The **Federal Register** notice also lists the forms required to complete the standard Department of Commerce grant application package, but those forms will be required only for those applicants who have been recommended for funding. For projects selected in Sea Grant states, the Sea Grant Program will prepare and submit these forms on behalf of all projects selected from that state.

Unsuccessful applications will be held in the National Sea Grant Office for a period of five (5) years and then destroyed. Applications under this program are not subject to Executive Order 12372, ''Intergovernmental Review of Federal Programs.''

Pursuant to Executive Orders 12876, 12900, and 13021, the Department of Commerce, National Oceanic and Atmospheric Administration (DOC/NOAA) is strongly committed to broadening the participation of

Historically Black Colleges and Universities (HBCU), Hispanic Institutions (HSI), and Tribal Colleges and Universities (TCU) in its educational and research programs. The DOC/NOAA vision, mission, and goals are to achieve full participation by Minority Servicing Institutions (MSI) in order to advance the development of human potential, to strengthen the nation's capacity to provide high-quality education, and to increase opportunities for MSIs to participate in and benefit from Federal Financial Assistance programs. DOC/NOAA encourages all applicants to include meaningful participation of MSIs. Institutions eligible to be considered MSIs are listed at the following Internet Web site: *http://www.ed.gov/offices/OCR/minorityinst.html.*

This notice contains collection-of-information requirements subject to the Paperwork Reduction Act. The use of NOAA Forms 90–2 and 90–4, or equivalents, has been approved by OMB under the control number 0648–0362. Public reporting burden for these collections of information is estimated to average 20 minutes for a NOAA Form 90–2 and 15 minutes for a NOAA Form 90–4. These response times include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, or any other aspect of this data collection, including suggestions for reducing the burden, to the National Sea Office (*see* the **FOR FURTHER INFORMATION CONTACT** section).

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the Paperwork Reduction Act, unless that collection displays a currently valid OMB control number.

## X. Classification

It has been determined that this notice is not significant for purposes of Executive Order 12866. It has been determined that this notice does not contain policies with Federalism implications as that term is defined in EO 13132.

Dated: August 5, 2002.

**Louisa Koch,**

*Deputy Assistant Administrator, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration.*

Dated: August 2, 2002.

**John E. Herring,**

*Acting Director, Office of Science and Technology, National Marine Fisheries Service, National Oceanic and Atmospheric Administration.*

[FR Doc. 02–20220 Filed 8–8–02; 8:45 am]

**BILLING CODE 3510–KA–M**

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## DEPARTMENT OF COMMERCE

## National Oceanic and Atmospheric Administration

**[Docket No. 990125030–2149–03]**

**RIN 0648–ZA56**

## Sea Grant National Strategic Investments in Aquatic Nuisance Species, Oyster Disease, and Gulf of Mexico Oyster Industry: Request for Proposals for FY 2003

**AGENCY:** National Sea Grant College Program, National Oceanic and Atmospheric Administration, Department of Commerce.

**ACTION:** Notice of request for proposals.

**SUMMARY:** The purpose of this notice is to advise the public that the National Sea Grant College Program (Sea Grant) is entertaining preliminary proposals and subsequently full proposals for National Strategic Investments in the following three programs:

(1) The Aquatic Nuisance Species Program, which seeks to fund research and outreach projects for the prevention and control of introduction and spread of aquatic nuisance species.

(2) The Oyster Disease Program, which seeks to fund innovative research that provides technology and management strategies to combat oyster disease and bring about the restoration of oysters and the oyster industry in U.S. Coastal areas.

(3) The Gulf of Mexico Oyster Industry Program, which is a long term, research-based program aimed at assisting the oyster industry in states adjoining the Gulf of Mexico to achieve full economic recovery and sustainable oyster production.

To support projects in the above three programs, Sea Grant expects to provide a total of about $5,600,000, $4,000,000, and $2,000,000 respectively, over a two-year period (FY 2003 and FY 2004). Matching funds equal to a minimum of 50% of the Federal request must be provided. Successful projects, which will have a maximum duration of two years, will be selected through national competitions.

**DATES:** Preliminary proposals must be received by 5 p.m. (local time) on September 17, 2002. After evaluation at the National Sea Grant Office (NSGO), some proposers will be encouraged to prepare full proposals, which must be received by 5 p.m. (local time) on December 3, 2002. (*See* **ADDRESSES** for where to submit preliminary and full proposals.) Note that applications arriving after these deadlines will be accepted for review only if the applicant can document that the application was provided to a delivery service that guaranteed delivery to the address listed below (*See* **ADDRESSES**) prior to the specified closing date and time; in any event, applications received later than two business days following the closing date will not be accepted. Facsimile transmissions and electronic mail submission of proposals will not be accepted. It is anticipated that funding decisions will be made by March 2003, and that successful applicants will be able to initiate projects approximately June 1, 2003.

**ADDRESSES:** Preliminary proposals and full proposals originating in Sea Grant states must be submitted to the state Sea Grant Program. The following are Sea Grant states: Alabama; Alaska; California; Connecticut; Delaware; Florida; Georgia; Hawaii; Illinois, Indiana, Louisiana; Maine; Maryland; Massachusetts; Michigan; Minnesota; Mississippi; New York; New Hampshire; New Jersey; North Carolina; Ohio; Oregon; Pennsylvania; Puerto Rico; Rhode Island; South Carolina; Texas; Vermont; Virginia; Washington; Wisconsin. Preliminary proposals and full proposals originating elsewhere may be submitted either to the nearest Sea Grant Program or directly to the NSGO. The addresses of the Sea Grant College Program directors may be found on Sea Grant's home page (*http://www.nsgo.seagrant.org/SGDirectors.html*) or may also be obtained by contacting the NSGO. Preliminary proposals and full proposals submitted to the NSGO should be addressed to: National Sea Grant Office, R/SG, Attn: Mrs. Geraldine Taylor, Proposal Processing, Room 11732, NOAA, 1315 East-West Highway, Silver Spring, MD 20910 (telephone number for express mail applications is 301–713–2445).

**FOR FURTHER INFORMATION CONTACT:** Dorn Carlson (Program Director for Aquatic Nuisance Species), or Dr. James McVey (Program Director for Oyster Programs) at the National Sea Grant

Office, R/SG, NOAA, 1315 East-West Highway, Silver Spring, MD 20910. Tel. (301) 713–2435; e-mail: *Dorn.Carlson@noaa.gov; Jim.McVey@noaa.gov.*

**SUPPLEMENTARY INFORMATION:**

## I. Program Authority

**Authority:** 33 U.S.C. 1121–1131.

(Catalog of Federal Domestic Assistance Number: 11.417, Sea Grant Support).

## II. Description of Programs

### *A. Aquatic Nuisance Species Research and Outreach Program*

Background

Invasions of nonindigenous species are increasing in frequency and causing substantial damage to the Nation's environment and economy. Although the most prominent of these has been the zebra mussel, many other nonindigenous species have been introduced and have truly become a nationwide problem that threatens many aquatic ecosystems. While some intentional introductions may have had beneficial effects, there are many other nonindigenous species already present in U.S. waters, or with the potential to invade, that may cause significant damage to coastal resources and the economies that depend upon them. In response, the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 (16 U.S.C. 4701 *et seq.*) established a framework for the Nation to address the problems of aquatic nuisance species (ANS) invasions of coastal and Great Lakes ecosystems.

Although problems such as the zebra mussel and the sea lamprey within the Great Lakes have received the most attention, invasions of nonindigenous species in coastal marine environments are an increasing and serious threat. The National Invasive Species Act of 1996 (16 U.S.C. 4711–4714) recognized this by calling for Federal funding to support aquatic nuisance species prevention and control along the Nation's marine coast.

Funding Priorities and Availability

The National Sea Grant College Program encourages proposals for research and outreach to prevent and control ANS invasions that address one or more of the following program areas:

(1) Biology and Life History: Basic biological research into population dynamics, genetics, physiology, behavior, and parasites and diseases of nonindigenous species with the potential to lead to the development of ecologically safe, effective, and inexpensive control. Research on the ecological and environmental tolerances of nonindigenous species with the potential for prediction of eventual geographic and ecological impacts.

(2) Effects on Ecosystems: Research on the impacts of nonindigenous species at each stage of their life history with the potential for helping natural resource managers determine how to minimize the impacts on established biota and their habitats.

(3) Socioeconomic Analysis: Costs and Benefits: Research on the potential impacts of nonindigenous species on human health in terms of spread of disease, concentration of pollutants, and contamination or purification of drinking water sources. Economic impact on sport, commercial and tribal fisheries, the recreation and tourism industry, the shipping and navigation industry, and municipal and industrial water users. Use of research results to provide a scientific basis for developing sound policy and environmental law, and for public education and technology transfer.

(4) Control and Mitigation: Research into various types of control—engineering (redesigning water intakes, *etc.*), physical (scraping, filtering, *etc.*), chemical (biocides, antifoulants, *etc.*), biological (parasites, predators, *etc.*), and physicochemical (heat, salinity, pH, *etc.*)—to develop selective, effective controls that minimize adverse ecological/environmental impacts. Outreach activities that will transfer these technologies to the appropriate users.

(5) Preventing New Introductions: Research and outreach into identifying vectors of ANS introduction, developing cost-effective, realistic methods of prevention, and transferring the information to appropriate users. In particular, research to develop, or support the development of, workable and effective methods to reduce or eliminate nonindigenous species introductions by shipborne pathways such as ballast water or hull fouling, without imposing undue hardships on the shipping industry.

(6) Reducing the Spread of Established Populations: Research and outreach to identify mechanisms for further dispersal of individual established species that will lead to the development of safeguards and protocols to prevent and/or slow the spread of nonindigenous species to uninfested areas, and transfer of that information to appropriate users.

Potential investigators are encouraged to review the list of recent and currently funded Sea Grant projects related to Aquatic Nuisance Species that is available on Sea Grant's Aquatic Nuisance Species Web page (*www.nsgo.seagrant.org/research/nonindigenous*). In addition, regional priorities have been developed by some Regional Panels of the Aquatic Nuisance Species Task Force and in some State ANS Management Plans. Not all regions of the country have regional panels, however, and not all panels have published research and outreach priorities; and not all states have State ANS Management Plans, and not all State ANS Management Plans contain research and outreach priorities. Further information on Aquatic Nuisance Species Task Force Committees, Regional Panel sand State ANS Management Plans can be found at the Internet Web site, *http://www.ANSTaskForce.gov/.*

About $5,600,000 will be available from the National Sea Grant College Program to support these projects in FY 2003 and FY 2004, depending on the overall funding appropriation for the National Sea Grant College Program. Of this amount, about 70% of the funds will go to support reach projects and about 30% for outreach activities. Projects can be for a maximum of two years' duration.

Sea Grant funding will be limited to $150,000 per year. Each proposal must include additional non-Federal matching funds equivalent to at least 50% of the Federal funds requested; for example, a proposal requesting a total of $200,000 in Federal support for two years would have to include at least an additional $100,000 in matching funds.

### *B. The Oyster Disease Program*

Background

The Oyster Disease Research Program has been in operation for nearly 10 years and has made significant accomplishments in the areas of disease diagnosis, immune system function of oysters, range and virulence of existing diseases, modeling and prediction of oyster diseases in the natural environment, oyster disease resistance through genetic selection and a variety of other technologies. Even though significant scientific information has been obtained through this work and we now have an oyster that has improved performance and survivability under field conditions; disease episodes can still be severe enough to prevent the culture and natural recovery of oysters. More research is clearly needed to improve the survivability of oysters in US coastal waters and to improve technology for disease management and control.

Primary consideration for funding will be given to proposals which address the specific priorities listed

below. These priorities, originally determined at a national workshop in January, 1995 and further refined at the Oyster Disease Research Program session during the International Shellfish Restoration Conferences in 1996 and 2000, and at other programmatic and scientific reviews in 2001 and 2002, are not listed in any implied order of importance:

(1) Design, apply and evaluate disease management strategies and their effectiveness for enhanced natural and aquaculture production. There are many issues related to establishment of oyster sanctuaries, configuration of commercial oyster beds, oyster aquaculture, use of non-native oyster species, remote setting, use of natural seed, bottom cleaning before setting, cultch type, etc., which should be addressed as related to the impacts and management of disease. Activities that involve private sector, state restoration programs and extension/outreach in the implementation of research results and field trials using diagnostic methods, and other disease related technology and information for improved oyster disease management or oyster culture are appropriate under this priority.

(2) *Parasite life cycles and the dynamics and mechanisms of transmission:* investigations of selected aspects of the life cycles of oyster pathogens, especially MSX and *Perkinsus,* and the dynamics/mechanisms of disease transmission among hose organisms.

(3) *Host-parasite interactions:* investigations which determine how pathogens avoid host defense mechanisms, biochemically characterize *Perkinsus* strains, determine factors which confer virulence to *Perkinsus* strains, determine mechanisms of infection/entry into the host, or compare disease processes in oyster species are being sought.

(4) *Mechanisms of disease resistance:* continued emphasis is placed on studies concerning cellular/molecular mechanisms of disease infection and resistance in Crassostrea spp. and studies which determine the mechanisms of immune response in oysters. In addition, analysis of host defense factors, the development of molecular markers of disease and stress resistance, the development of immuno-stimulants, the application of chemo-therapeutics, and the identification of pathogen virulence and resistance mechanisms are needed; as are studies comparing resistance among diploid and polyploid oysters.

(5) *Development and application of diagnostic methods for all oyster diseases:* this program has already developed many diagnostic techniques for several disease organisms and new proposals will be expected to show a significant improvement over the techniques already developed.

(6) *Environmental influences on disease and oyster mortality:* proposals which address the influence of biotic and abiotic factors upon host-parasite interactions are high priority. Also included are studies of the effects of eutrophication and other stresses upon disease dynamics, basic physiological and adaptation processes in both hosts and parasites, the mechanisms of the summer kill phenomenon, relationships between disease progression and climate, and the eco-physiology of *Perkinsus.*

(7) *Taxonomy, phylogeny and population studies of both hosts and parasites:* emphasis continues on studies of variations in populations susceptibility, host resistance and pathogen virulence. Also needed are investigations of the genetic structure of both hosts and parasites.

(8) *Development and application of selective breeding strategies:* we are seeking studies which develop molecular/biochemical markers for breeding resistance into oysters, as well as genome analysis and gene transfer techniques related to disease resistance. Evaluation of non-native oyster species genomes with regard to disease resistance under aquaculture conditions will also be considered.

(9) *Development and testing of geographic and mathematical models to improve understanding of disease dynamics:* a basic model now exists and new work in this area must clearly state how additional investment will take us to an even better level of prediction or disease management.

About $4,000,000 is available from the National Sea Grant College Program to support research projects in FY 2003 and FY 2004, depending on the overall funding appropriation for the National Sea Grant College Program.

Sea Grant funding will be limited to $200,000 per year. Each proposal must include additional non-Federal matching funds equivalent to at least 50% of the Federal funds requested; for example, a proposal requesting a total of $200,000 in Federal support for two years would have to include at least an additional $100,000 in matching funds.

*C. The Gulf of Mexico Oyster Industry Program*

Background

The Gulf Oyster Industry Program was created as a result of information provided by Gulf oyster industry leaders, state resource managers, and academic researchers spanning the five-state Gulf region. Specific needs identified by these individuals were subsumed into 12 concise issue statements as a result of a workshop held in New Orleans, Louisiana in 1997 and reaffirmed in 2000. This list of research and extension needs and proposed responses was presented to a select Industry Advisory Panel at the Gulf Oyster Industry Program Workshop conducted in New Orleans, La., on February 28, 1998, and again in 2000 the group was asked to establish research priorities based on that framework. Through an ensuing discussion, the high-priorities were delineated as shown below:

(1) *At-Risk Consumer Education and Evaluation:* proposals that will develop, implement and/or evaluate a *Vibrio vulnificus* Education Program, including, but not limited to: at-risk consumer foundations and associations, pharmacies, alcohol treatment centers, wound infection issues, media relations, and public perceptions.

(2) *Human Pathogenic Organisms:* raw oysters have the potential to cause human illness due to the presence of naturally occurring opportunistic pathogens (*e.g., Vibrio vulnificus*), naturally occurring pathogens that become a concern only when present at elevated levels (*e.g., Vibrio cholera* or *Vibrio parahaemolyticus*), and pathogens which are related to contaminated growing areas (*e.g.,* Norwalk and Norwalk-like viruses, *Salmonella* sp. and *Shiqella*). This potential has created a perception the consumption of raw oysters places a large number of people at risk of contracting illnesses from opportunistic bacteria, toxins, and viruses. This RFP also seeks proposals that will develop new means of treating shell stock to eliminate human pathogens, and, develop or investigate new technology, such as ionized water, for depurating oysters of human pathogens.

(3) *Post-Harvest Treatment (PHT) Process Evaluation and Education:* proposals that will develop and evaluate PHT demonstration projects, including, but not limited to, providing PHT product in demonstration projects to wholesalers & retailers, and, conducting economic analyses regarding the changes to current handling and processing practices.

(4) *Consumer Attitudes and Preferences:* the oyster industry and regulators lack knowledge concerning the attitudes, preferences, and other characteristics of potential oyster consumers. Learning about consumers' attitudes and preferences will help

increase demand for new PHT and traditional oyster products. This RFP seeks proposals that will determine oyster consumer demographics, consumption patterns, attitudes and preferences, develop media-relations protocol for the oyster industry, conduct media-relations workshops for the Gulf oyster industry to improve communication skills, develop media-relations protocol or decision tree for researchers and state regulatory personnel, and, determine the characteristics of the market for Gulf oysters, including sales (region, size of establishment, average sales, *etc.*), distribution, and product forms. Investigators should be aware that any surveys must be approved under the Paperwork Reduction Act before they are carried out, a process that may delay the start of those projects by up to six months.

(5) *Harmful Algal Blooms (HAB)Red Tide:* HAB cause lengthy public health closures of shellfish growing waters, halting production for weeks and causing severe economic hardship in the impacted area. This RFP seeks proposals to develop rapid detection methods for toxic marine algae, especially *G. breve*, conduct HAB research advisory and outreach activities in the Gulf states, and conduct a workshops for state and Federal shellfish managers. sanitation personnel and researchers to include new monitoring, diagnostic, and management protocols for use in the reopening of shellfish growing waters closed by HAB.

(6) *Economic and Legal Impacts of Regulatory Action:* the regulation of molluscan shellfish is unique from all other foods. Regulatory action either by state of Federal public health agencies, and subsequent news media responses can have severe economic and legal impacts on the harvesting, processing and marketing of shellfish, such as Gulf oysters. This RFP seeks proposals that analyze the effects of inaccurate media reports on sales, the delisting of a processor or state from the Interstate Certified Shellfish Shippers List, the ramifications from product disparagement, and/or, the impact of the oyster and support industries on demand for labor and the coastal economies of the Gulf region.

(7) *Coastal Restoration/Freshwater Diversion:* coastal land loss, deterioration of estuarine habitat, and coastal restoration programs, *e.g.,* freshwater diversions and sedimentation projects, and causing widespread dislocations and conflicts with established oyster-producing operations. This RFP seeks proposals that educate oyster men, public officials, and citizens regarding the economic and environmental role of the oyster industry and the economic costs of displacing and relocation oyster bedding operations, and/or, conduct demonstration projects for oyster farmers to show them the best strategy to relocate their oyster farms that are damaged by coastal restoration projects.

(8) *Labor and Mechanization:* the traditional labor base that supports oyster growing, harvesting, and processing is shrinking rapidly, with consequently declining production and increased costs. This RFP seeks proposals that investigate and develop cost-effective mechanized approaches to oyster harvesting and processing, including, but not limited to, developing new means to package and handle oyster shell stock and shucked oysters, including large re-usable, low-cost containerization of shell stock for vessels to trucks, handling equipment to move large containers of shell stock; and, cheaper containers for shucked oysters.

(9) *Oyster Diseases:* oyster diseases are having a major impact on Gulf Coast oyster stocks and for the most part this topic will be covered under the Oyster Disease topic in this solicitation. However, oyster disease research specific to the Gulf Coast will be considered in this solicitation.

(10) *Genetics and Oyster Hatchery technology:* these technologies are needed to develop cost-effective hatchery/nursery operations to augment wild oyster production with specialized strains or help create oyster aquaculture operations. This RFP seeks proposals that develop polyploid broodstock for the Gulf Coast, disease resistant transgenic oysters, and/or, address practical problems which may be common to oyster production in general, but especially acute in a farming situation, *e.g.,* biofouling, predation, disease, *etc.*

About $2,000,000 is available from the National Sea Grant College Program to support research projects in FY 2003 and FY 2004, depending on the overall funding appropriation for the National Sea Grant College Program.

Sea Grant funding will be limited to $200,000 per year. Each proposal must include additional non-Federal matching funds equivalent to at least 50% of the Federal funds requested; for example, a proposal requesting a total of $200,000 in Federal support for two years would have to include at least an additional $10,000 in matching funds.

## III. Eligibility

Eligible applicants are individuals, institutions of higher education, other nonprofits, commercial organizations, international organizations, state, local and Indian tribal governments. Directors of the State Sea Grant Programs are not eligible to compete for funds under this announcement.

## IV. Evaluation Criteria

The evaluation criteria for proposals submitted for support under these three programs are:

*A. Impact of Proposed Project (50%)*

Significance of the problem addressed; impacts/benefits expected to the nation as a consequence of the project; degree to which the activity will advance the state of the science or discipline; potential for technology transfer to user groups such as industry and/or for enhanced economic, scientific, educational, or management value.

*B. Project Design (50%)*

Appropriateness of methodologies to be used; advanced synthesis of existing information; use or extension of state-of-the-art methods; qualifications of the investigators (education, training, and/or experience and record of achievement with previous funding); the degree to which multiple investigators, other Federal agencies, and potential users of the results of the proposed activity have been involved in planning the activity and/or will be involved in the execution of the activity, as appropriate; proposed project schedule (timeline).

## V. Selection Procedures

Preliminary proposals will be reviewed at the NSGO by panels composed of government, industry, and academic experts. The panels will be asked to assess each preliminary proposal according to the evaluation criteria. The panels will make individual recommendations to the NSGO regarding which preliminary proposals may be suitable for further consideration. On the basis of the panels' recommendations, the Director of the NSGO will advise proposers whether or not the submission of full proposals is encouraged. Invitation to submit a full proposal does not constitute an indication that the proposal will be funded. Interested parties who submitted preliminary proposals in accordance with the procedure described in this notice may, if they wish, submit full proposals even if the Director of the NSGO does not encourage full proposal submission.

Individual state Sea Grant Programs receiving full proposals will conduct the mail peer review of the proposed projects in accordance with the Evaluation Criteria listed above. Complete proposals (12 copies) and copies of the mail reviews will then be sent by the state Sea Grant programs to the National Sea Grant Office. The NSGO will conduct mail reviews for proposals submitted directly to it by applicants not in Sea Grant states.

Each proposal will be scored in accordance with the assigned weights of the above evaluation criteria by an independent peer review panel consisting of government, academic, and industry experts. These panel members will provide individual evaluations on each proposal; thus there will be no consensus advice. Their recommendations and evaluations will be considered by the NSGO in the final selection. Only those proposals awarded an average score of 50% or greater by the panel will be eligible for funding. For those proposals, the NSGO will: (a) Ascertain which proposals best meet the program priorities (stated in Section II), and do not substantially duplicate other projects that are currently funded or are approved for funding by NOAA and other Federal agencies, hence, awards may not necessarily be made to the highest-scored proposals; (b) select the proposals to be funded; (c) determine which components of the selected projects will be funded; (d) determine the total duration of funding for each proposal; and (e) determine the amount of funds available for each proposal. Investigators may be asked to modify objectives, work plans, or budgets prior to final approval of the award. Subsequent grant administration procedures will be in accordance with current NOAA grants procedures. Note that only one award will normally be made for each project; if multiple institutions are involved, they should be handled through subawards and contracts. A summary statement of the scientific review by the peer panel will be provided to each applicant.

## VI. Instructions for Application

### *A. General Requirements*

The ideal project attacks a well-defined problem that will be or is a significant societal, research, or technology development and transfer issue. The organization or people whose task it will be to make related decisions or who will be able to make specific use of project results will have been identified and contacted by the Principal Investigator(s). The proposal demonstrates an understanding of what constitutes necessary and sufficient information for responsible decision-making or for applied use, and shows how that information will be provided by the proposed activity or in concert with other planned activities.

Proposals are expected to have: a rigorous, hypothesis-based scientific work plan, or a well-defined, logical approach to address an engineering problem or outreach opportunity; a strong rationale for the proposed work; and a clear relationship with the ultimate users of the information. Projects undertaken jointly with industry, business, multiple investigators, or other agencies with interest in the problem are encouraged. Their contribution to the project may be in the form of collaboration, in-kind services, or dollar support. Projects that are solely monitoring efforts are not appropriate for funding. Proposals that incorporate educational, outreach, socioeconomic, and management components and applications will be viewed favorably.

To prevent the expenditure of effort that may not be successful, proposers must first submit preliminary proposals; following review by the NSGO, these proposers may subsequently submit full proposals. Full proposals submitted by applicants who do not first submit a preliminary proposal will be returned without review. Applications may be made for Federal funds to support up to two-thirds of the total budget. Allocation of matching funds, equal to at least one-third of the total budget (in other words, at least 50% of the Federal request), must be specified. No more than $150,000 of Federal Sea Grant funds per year will be awarded to an Aquatic Nuisance Species project. No more than $200,000 of Federal Sea Grant funds per year will be awarded to an Oyster Disease or Gulf of Mexico Oyster Industry project. The maximum duration for funded projects will be two years. Awards may be made either as grants or, if there is substantial involvement by one or more Federal agencies, as cooperative agreements. Examples of substantial involvement may include collaboration in research, participation in selection of key personnel, or approval of key stages in the project before subsequent steps are undertaken. Investigators are encouraged to review the budgeting and grant-making policies of their state's Sea Grant Program, if any, before finalizing their proposal submissions.

### *B. How To Submit*

Interested parties must submit applications (preliminary and full proposals) as follows. Applications originating in one of the Sea Grant states must be submitted to the state's Sea Grant College Program, which will submit the final grant application to the NSGO. Applications originating in a state with no Sea Grant College Program may be submitted to the nearest state Sea Grant College Program which will then submit the final grant application to the NSGO, or the application may be submitted directly to the NSGO. Twenty (20) copies of preliminary proposals and proposals must be submitted to the state Sea Grant Programs or to the NSGO according to the schedule outlined below (See ''Timetable''). The addresses of the Sea Grant College Program directors may be found on Sea Grant's World Wide Web home page (*http://www.nsgo.seagrant.org/SGDirectors.html*) or may also be obtained by contacting Mr. Joseph Brown at the NSGO (phone: 301–713–2438 x135 or e-mail: *joe.brown@noaa.gov*). Preproposals and proposals sent to the NSGO should be addressed to: National Sea Grant Office, R/SG, Attn: Ms. Geri Taylor, Proposal Processing, NOAA, 1315 East-West Highway, Silver Spring, MD 20910 (phone 301–713–2435 for express mail applications). Facsimile transmissions and electronic mail submission of applications will not be accepted.

### *C. Timetable*

September 17, 2002, 5 p.m. (local time)—Preliminary proposals (20 copies) must be received by state Sea Grant Program, or by NSGO if application is being submitted by an institution in a non-Sea Grant state.

September 24, 2002, 5 p.m. EDT—Preliminary proposals (18 copies) due at NSGO from state Sea Grant Programs.

December 3, 2002, 5 p.m. (local time)—Full proposals (20 copies) must be received by state Sea Grant Program, or by NSGO if application is being submitted by an institution in a non-Sea Grant state.

December 10, 2002, 5 p.m. EST—Full proposals (12 copies) due at NSGO from state Sea Grant Programs.

February 15, 2003, 5 p.m. EST—State Sea Grant Programs forward reviews received to NSGO.

June 1, 2003 (approximate)—Funds awarded to selected recipients; projects begin.

Note that applications arriving after the closing dates given above will be accepted for review only if the applicant can document that the application was provided to a delivery service that guaranteed delivery to the appropriate address (*see* **ADDRESSES**) prior to the specified closing date and time; in any event, applications received by the

NSGO or the state Sea Grant programs later than two business days following the closing date will not be accepted.

*D. What To Submit*

Preliminary Proposal Requirements

Preliminary proposals must be printed on metric A4 (210 mm x 297 mm) or 8.5″ x 11″ paper with at least a 10-point font. The following information should be included:

1. Signed Title Page: The title page must be signed by the Principal Investigator and should clearly identify the program to which the proposal is submitted by starting the project title with ''Sea Grant Aquatic Nuisance Species Research Program,'' ''Sea Grant Aquatic Nuisance Species Outreach Program,'' ''Sea Grant Oyster Disease Program'' or ''Sea Grant Gulf of Mexico Oyster Industry Program'' (as appropriate). Principal Investigators and collaborators should be identified by affiliation and contact information. The total project costs (Federal funds being requested and matching funds) should be listed as well as the source of the matching funds. Preliminary proposals must include matching funds equivalent to at least 50% of the Federal funds requested.

2. A concise (2-page limit) description of the project, its experimental design, its expected output or products, the anticipated users of the products, and its anticipated impact. Proposers should consult the Evaluation Criteria for additional guidance in preparing the preliminary proposals.

3. Resumes (1-page limit) of the Principal Investigators.

4. Proposers are encouraged (but not required) to include a separate page suggesting reviewers that the proposers believe are especially well-qualified to review the proposal. Proposers may also designate persons they would prefer not review the proposal, indicating why. These suggestions will be considered during the review process.

No institutional signatures or Federal government forms are needed while submitting preliminary proposals.

Full Proposal Requirements

All pages must be printed on metric A4 (210 mm x 297 mm) or 8.5″ x 11″ paper with at least a 10-point font. Each full proposal should include the items listed below. Brevity will assist reviewers and program staff in dealing effectively with proposals. Therefore, the Project Description may not exceed 15 pages. Tables and visual materials, including charts, graphs, maps, photographs and other pictorial presentations are included in the 15-page limitation; literature citations and letters of support are not included in the 15-page limitation. No appendices are permitted. Applicants may obtain all required application forms through the World Wide Web at *http://www.nsgo.seagrant.org/research/index.html* and *http://www.ofa.noaa.gov/-grants/pdf/,* from the state Sea Grant Programs, or from Mr. Joseph Brown at the National Sea Grant Office (phone: 301–713–2438 x135 or e-mail: *joe.brown@noaa.gov*).

1. *Signed Title Page:* The title page must be signed by the Principal Investigator and should clearly identify the program to which the proposal is submitted by starting the project title with ''Sea Grant Aquatic Nuisance Species Research Program,'' ''Sea Grant Aquatic Nuisance Species Outreach Program,'' ''Sea Grant Oyster Disease Program'' or ''Sea Grant Gulf of Mexico Oyster Industry Program'' (as appropriate). The total amount of Federal and matching funds being requested for each project year must be listed.

2. *Project Summary:* The project summary should concisely describe the activity being proposed and the impact that would result from its successful completion, in a form suitable for publication. Applicants are encouraged to use the Sea Grant Project Summary Form 90–2, but may use their own form as long as it provides the same information as the Sea Grant form. The project summary should include: A. *Title:* Use the exact title as it appears in the rest of the application. B. *Investigators:* List the names and affiliations of each investigator who will significantly contribute to the project, starting with the Principal Investigator. For graduate fellowships, the faculty advisor or the state Sea Grant Director may be used. C. Funding request for each year of the project, including matching funds if appropriate. D. *Project Period:* Start and completion dates. Proposals should request a start date of June 1, 2003. E. *Project Abstract:* This should include the rationale for the proposed activity, the scientific or technical objectives and/or hypotheses to be tested, and a brief summary of the work to be completed.

3. Project Description (15-page limit):

a. *Introduction/Background/Justification:* Subjects that the investigator(s) may wish to include in this section are: (1) Previous fundamental research, including relevant work funded by Sea Grant, and a description of what additional work is needed to enhance the value of that work; and (ii) impacts of the study to the particular discipline or subject area.

b. *Research or Technical Plan:* (i) Objectives to be achieved, hypotheses to be tested; (ii) Experimental design and statistical analysis to be used; (iii) Plan of work, detailed methodology, collaboration with industry or other user groups (if appropriate), and a timetable for project activities; and (iv) Role of project personnel.

c. *Output/Anticipated Economic Benefits:* These may be measured in many ways. To the extent possible, proposers are urged to devise appropriate metrics to quantify the benefits. Examples of metrics may include patents or licenses; commercializable new products (*e.g.* products or equipment used to remove aquatic nuisance species from ballast water or to harvest and process oyster products), oyster disease diagnostics and control technologies, improved oyster survivals, creation of successful oyster restoration programs, process improvements, corporate investments in oyster technologies or academic research efforts; private sector job opportunities; number of end users or persons affected by the projects long-term goals, etc.

d. *Coordination with other Program Elements:* Describe any coordination with other agency programs or ongoing research efforts. Describe any other proposals that are essential to the success of this proposal.

e. *References and Literature Citations:* Should be included but will not be counted in the 15-page project description limit.

4. *Budget and Budget Justification:* There should be a separate budget for each year and one cumulative budget for the entire project. Applicants are encouraged to use the Sea Grant Budget Form 90–4, but may also use their own form as long as it provides the same information as the Sea Grant form. Subawards and contracts should have a separate budget page. Matching funds must be indicated. The budget should include a separate budget justification page that itemizes all budget items in sufficient detail to enable reviewers to evaluate the appropriateness of the funding requested, and indicates the source for all matching funds. Please pay special attention to any travel, supply or equipment budgets and provide details. Note that only one award will normally be made for each project; if multiple institutions are involved, they should be handled through subawards and contracts with all necessary indirects costs included in the original budget submission.

Investigators are strongly advised to consult with and follow any budgeting guidelines available through their state's

Sea Grant Program. Local institutional policies may affect how a project budget should be submitted, and what may be included (*i.e.,* application of indirect costs, availability of fellowships, and other restrictions or cost-saving opportunities). Proposals generated from Sea Grant states must follow local guidelines, if any. In no case will proposals be funded at a level which exceeds the funding limitations as set in this announcement.

5. *Current and Pending Support:* Applicants must provide information on all current and pending Federal support for ongoing projects and proposals, including subsequent funding in the case of continuing grants. The relationship between the proposed project and these other projects should be described, and the number of person-months per year to be devoted to the projects must be stated.

6. Vitae (2 pages maximum per investigator).

7. *Research Protocol (if appropriate):* Research activities funded under this program must not accelerate the spread of nonindigenous species to non-infested watersheds. Therefore, investigators studying any nonindigenous species whose laboratories or research study sites are in currently uninfested areas must develop protocols for handling the particular nonindigenous species that will prevent its release into the environment. As part of the plan of action, the investigator must detail these protocols and explain how the proposed work will be accomplished while safeguarding the environment. The research protocol will be reviewed by an interagency committee created under the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 (16 U.S.C. 4701 *et seq.*). Guidelines for developing suitable protocols are available through the internet Web site *http://www.ANST askForce.gov/resprot.htm#,* or from Dorn Carlson (listed in **FOR FURTHER INFORMATION CONTACT**, above). Proposals lacking a suitable protocol will not be eligible for funding.

8. Letters of commitment and letter of support from any industry or other partner, if appropriate.

## VII. Other Requirements for Successful Applicants

The Department of Commerce Pre-Award Notification of Requirements for Grants and Cooperative Agreements contained in the Federal Register Notice of October 1, 2001 (66 FR 49917) are applicable to this solicitation. However, please note that the Department will not implement the requirements of Executive Order 13202 (66 FR 49921), pursuant to guidance issued by the Office of Management and Budget in light of a court opinion which found that the Executive Order was not legally authorized. *See Building and Construction Trades Department* v. *Allbauth,* 172 F. Supp. 2d 138 (D.D.C. 2001). This decision is currently on appeal. When the case has been finally resolved, the Department will provide further information on implementation of Executive Order 13202. The Federal Register notice also lists the forms required to complete the standard Department of Commerce grant application package, but those forms will be required only for those applicants who have been recommended for funding. For projects selected in Sea Grant states, the Sea Grant Program will prepare and submit these forms on behalf of all projects selected from that state.

Unsuccessful applications will be held in the National Sea Grant Office for a period of five (5) years and then destroyed. Applications under this program are not subject to Executive Order 12372, ''Intergovernmental Review of Federal Programs.''

Pursuant to Executive Orders 12876, 12900, and 13021, the Department of Commerce, National Oceanic and Atmospheric Administration (DOC/NOAA) is strongly committed to broadening the participation of Historically Black Colleges and Universities (HBCU), Hispanic Serving Institutions (HSI), and Tribal Colleges and Universities (TCU) in its educational and research programs. The DOC/NOAA vision, mission, and goals are to achieve full participation by Minority Serving Institutions (MSI) in order to advance the development of human potential, to strengthen the nation's capacity to provide high-quality education, and to increase opportunities for MSIs to participate in and benefit from Federal Financial Assistance programs. DOC/NOAA encourages all applicants to include meaningful participation of MSIs. Institutions eligible to be considered MSIs are listed at the following Internet Web site: *http://www.ed.gov/offices/OCR/minorityinst.html.*

This notice contains collection-of-information requirements subject to the Paperwork Reduction Act. The use of NOAA Forms 90–2 and 90–4, or equivalents, has been approved by OMB under the control number 0648–0362. Public reporting burden for these collections of information is estimated to average 20 minutes for a NOAA Form 90–2 and 15 minutes for a NOAA Form 90–4. These response times include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, or any other aspect of this data collection, including suggestions for reducing the burden, to the National Sea Grant Office (*see* the **FOR FURTHER INFORMATION CONTACT** section).

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the Paperwork Reduction Act, unless that collection displays a currently valid OMB control number.

## VIII. Classification

It has been determined that this notice is not significant for purposes of Executive Order 12866.

It has been determined that this notice does not contain policies with Federalism implications as that term is defined in Executive Order 13132.

Because notice and comment are not required under 5 U.S.C. 553, or any other law, for notices relating to public property, loans, grants, benefits or contracts (5 U.S.C. 553(a)), a Regulatory Flexibility Analysis is not required and has not been prepared for this notice, 5 U.S.C. 601 *et seq.*

Dated: July 5, 2002.

**Louisa Koch,**

*Deputy Assistant Administrator, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration.*

[FR Doc. 02–20221 Filed 8–8–02; 8:45 am]

**BILLING CODE 3510–KA–M**

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## DEPARTMENT OF COMMERCE

## National Oceanic and Atmospheric Administration

**[I.D. 073102A]**

## Western Pacific Fishery Management Council; Public Meeting; Correction

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of change of dates of a public meeting.

**SUMMARY:** The Western Pacific Fishery Management Council's (Council) Community Demonstration Project Program Advisory Panel will convene a public meeting.

**DATES:** The meetings will be held on Wednesday, August 21, 2002, through Friday, August 23, 2002.

**ADDRESSES:** The meetings will be held at the Council Office, 1164 Bishop Street, Suite 1400, Honolulu, HI; telephone: 808–522–8220.

**FOR FURTHER INFORMATION CONTACT:** Kitty M. Simonds, Executive Director; telephone: 808–522–8220.

**SUPPLEMENTARY INFORMATION:** The initial notification of this meeting was published in the **Federal Register** on August 5, 2002, (67 FR 50632). In the **SUPPLEMENTARY INFORMATION** of the original notice, it stated that the meeting dates were August 22 through August 24, 2002. This notice corrects those dates to read August 21 through August 23, 2002.

All other information previously published remains the same.

Dated: August 6, 2002.

**Theophilus W. Brainerd,**

*Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 02–20217 Filed 8–8–02; 8:45 am]

**BILLING CODE 3510–22–S**

## COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

### Adjustment of an Import Limit for Certain Cotton Textile Products Produced or Manufactured in Malaysia

August 5, 2002.

**AGENCY:** Committee for the Implementation of Textile Agreements (CITA).

**ACTION:** Issuing a directive to the Commissioner of Customs adjusting a limit.

**EFFECTIVE DATE:** August 12, 2002.

**FOR FURTHER INFORMATION CONTACT:** Ross Arnold, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482–4212. For information on the quota status of this limit, refer to the Quota Status Reports posted on the bulletin boards of each Customs port, call (202) 927–5850, or refer to the U.S. Customs website at *http://www.customs.gov*. For information on embargoes and quota re-openings, refer to the Office of Textiles and Apparel website at *http://www.otexa.ita.doc.gov*.

**SUPPLEMENTARY INFORMATION:**

**Authority:** Section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854); Executive Order 11651 of March 3, 1972, as amended.

Issuing a directive to the Commissioner of Customs adjusting the limit for Cetegories 347/348 for carryover and the cancellation of carryforward.

A description of the textile and apparel categories in terms of HTS numbers is available in the CORRELATION: Textile and Apparel Categories with the Harmonized Tariff Schedule of the United States (*see* **Federal Register** notice 66 FR 65178, published on December 18, 2001). Also see 66 FR 63030, published on December 4, 2001.

**D. Michael Hutchinson,**

*Acting Chairman, Committee for the Implementation of Textile Agreements.*

**Committee for the Implementation of Textile Agreements**

August 5, 2002.

Commissioner of Customs,
*Department of the Treasury, Washington, DC 20229.*

Dear Commissioner: This directive amends, but does not cancel, the directive issued to you on November 27, 2001, by the Chairman, Committee for the Implementation of Textile Agreements. That directive concerns imports of certain cotton, wool and man-made fiber textiles and textile products and silk blend and other vegetable fiber apparel, produced or manufactured in Malaysia and exported during the twelve-month period which began on January 1, 2002 and extends through December 31, 2002.

Effective on August 12, 2002, you are directed to adjust the current limit for Categories 347/348 to 1,003,811 dozen [1], as provided for under the Uruguay Round Agreement on Textiles and Clothing

The Committee for the Implementation of Textile Agreements has determined that this action falls within the foreign affairs exception of the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

D. Michael Hutchinson,

*Acting Chairman, Committee for the Implementation of Textile Agreements.*

[FR Doc. 02–20161 Filed 8–8–02; 8:45 a.m.

**BILLING CODE 3510–DR–S**

[1] The limit has not been adjusted to account for any imports exported after December 31, 2001.

## CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

### Information Collection; Submission for OMB Review; Comment Request

**AGENCY:** Corporation for National and Community Service.

**ACTION:** Notice.

**SUMMARY:** The Corporation for National and Community Service (hereinafter the ''Corporation'') has submitted a public information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995, Pub. L. 104–13, (44 U.S.C. Chapter 35). Copies of this ICR, with applicable supporting documentation, may be obtained by calling the Corporation for National and Community Service, Kimberly Mansaray, at (202) 606–5000, extension 249. Individuals who use a telecommunications device for the deaf (TTY–TDD) may call (800) 833–3722 between the hours of 9 a.m. and 5 p.m. Eastern Standard Time, Monday through Friday.

Comments should be sent to the Office of Information and Regulatory Affairs, Attn: Ms. Brenda Aguilar, OMB Desk Officer for the Corporation for National and Community Service, Office of Management and Budget, Room 10235, Washington, DC, 20503, (202) 395–7316, within 30 days from the date of publication in this **Federal Register**.

The OMB is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Corporation, including whether the information will have practical utility;
- Evaluate the accuracy of the Corporation's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Propose ways to enhance the quality, utility and clarity of the information to be collected; and
- Propose ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submissions of responses.

**Description**

The AmeriCorps member application will gather data from applicants, including background information, educational history, skills and experience, and a motivational statement that AmeriCorps may use in evaluating their suitability for becoming a member and to place them in the most appropriate program(s) that match their skills and interests. The new application has very few changes from the previously approved application, and if approved, this application will continue to enable applicants to complete one application and be considered for multiple programs within AmeriCorps. This new application will continue to be cost-effective for the government by providing a centralized information source and streamlined process for receiving applications and placing them

into the proper programs. Therefore, the Corporation seeks approval of its new AmeriCorps Application for Membership.

*Type of Review:* Renewal.

*Agency:* Corporation for National and Community Service.

*Title:* AmeriCorps Application for Membership.

*OMB Number:* 3045–0054.

*Agency Number:* None.

*Affected Public:* Those individuals interested in applying to become a member of any of the AmeriCorps programs, including AmeriCorps*NCCC and AmeriCorps*VISTA, and hundreds of state and local programs located throughout the country which recruit AmeriCorps members.

*Total Respondents:* Approximately 75,000. (Approximately 50,000 individuals serve each year in AmeriCorps programs; (collection totals are inexact, as almost all completed applications are submitted to local programs and are not sent to the Corporation for National Service).

*Frequency:* One time. Applicants may make copies of their completed form, and submit copies (each, however, with an original signature) to several different AmeriCorps programs for consideration. In addition, applicants may fill out the same application on line at the Corporation's Web site. Applicants may then send multiple applications to programs electronically.

*Average Time Per Response:* 45 minutes.

*Estimated Total Burden Hours:* 56,250 hours. (if 75,000 individuals complete the form per year).

*Total Burden Cost (capital/startup):* None.

*Total Burden Cost (operating/maintenance):* None.

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: August 5, 2002.

**Kimberly Mansaray,**

*Acting Director, AmeriCorps Recruitment, Selection and Placement.*

[FR Doc. 02–20189 Filed 8–8–02; 8:45 am]

BILLING CODE 6050–$$–P

## DEPARTMENT OF DEFENSE

### Office of the Secretary of Defense

### Establishment of the Pentagon Memorial Design Competition Jury

**AGENCY:** Office of the Secretary, Department of Defense.

**ACTION:** Notice of establishment.

**SUMMARY:** The Pentagon Memorial Design Competition Jury is being established in consonance with the public interest and in accordance with the provisions of Pub. L. 92463, the ''Federal Advisory Committee Act,'' title 5 U.S.C., App II. The Pentagon Memorial Design Competition Jury will review and evaluate all designs submitted in response to the Baltimore District, Corps of Engineers announcement of the design competition for a Pentagon Memorial to the victims of the September 11, 2001 terrorist attack on the Pentagon. The Jury will make a final recommendation on the Memorial Design to the Secretary of Defense through the Director, Administration and Management, once the evaluation process has been completed.

The Jury will consist approximately 11 members; six preeminent in various design fields, one member of the families of the victims, and four members that have had continuing and long-standing relationships with the Department of Defense and/or other Federal Agencies.

**FOR FURTHER INFORMATION:** Contact Jerry Shiplett, Special Assistant to the Director, Real Estate and facilities, Washington Headquarters Service on 703–614–9203.

Dated: August 5, 2002.

**Patricia L. Toppings,**

*Alternate OSD Federal Register, Liaison Officer, Department of Defense.*

[FR Doc. 02–20125 Filed 8–08–02; 8:45 am]

BILLING CODE 5001–08–M

## DEPARTMENT OF EDUCATION

### Submission for OMB Review; Comment Request

**AGENCY:** Department of Education.

**SUMMARY:** The Leader, Regulatory Information Management Group, Office of the Chief Information Officer invites comments on the submission for OMB review as required by the Paperwork Reduction Act of 1995.

**DATES:** Interested persons are invited to submit comments on or before September 9, 2002.

**ADDRESSES:** Written comments should be addressed to the Office of Information and Regulatory Affairs, Attention: Karen Lee, Desk Officer, Department of Education, Office of Management and Budget, 725 17th Street, NW., Room 10202, New Executive Office Building, Washington, DC 20503 or should be electronically mailed to the Internet address *Karen_F._Lee@omb.eop.gov.*

**SUPPLEMENTARY INFORMATION:** Section 3506 of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) requires that the Office of Management and Budget (OMB) provide interested Federal agencies and the public an early opportunity to comment on information collection requests. OMB may amend or waive the requirement for public consultation to the extent that public participation in the approval process would defeat the purpose of the information collection, violate State or Federal law, or substantially interfere with any agency's ability to perform its statutory obligations. The Leader, Regulatory Information Management Group, Office of the Chief Information Officer, publishes that notice containing proposed information collection requests prior to submission of these requests to OMB. Each proposed information collection, grouped by office, contains the following: (1) Type of review requested, *e.g.* new, revision, extension, existing or reinstatement; (2) title; (3) summary of the collection; (4) description of the need for, and proposed use of, the information; (5) respondents and frequency of collection; and (6) reporting and/or recordkeeping burden. OMB invites public comment.

Dated: August 5, 2002.

**John D. Tressler,**

*Leader, Regulatory Information Management, Office of the Chief Information Officer.*

### Office of English Language Acquisitions

*Type of Review:* Revision.

*Title:* Application for Grants Under English Language Acquisition and Language Enhancement: Native American and Alaska Native Children in School.

*Frequency:* Annually.

*Affected Public:* Not-for-profit institutions.

*Reporting and Recordkeeping Hour Burden:*

*Responses:* 100.

*Burden Hours:* 8,200.

*Abstract:* The Department of Education needs and uses this information to make grants. The respondents are eligible entities required to provide this information in applying for grants.

This information collection is being submitted under the Streamlined Clearance Process for Discretionary Grant Information Collections (1890–0001). Therefore, the 30-day public comment period notice will be the only public comment notice published for this information collection.

Requests for copies of the submission for OMB review; comment request may be accessed from *http://edicsweb.ed.gov*, by selecting the ''Browse Pending Collections'' link and by clicking on link number 2109. When you access the information collection, click on ''Download Attachments'' to view. Written requests for information should be addressed to Vivian Reese, Department of Education, 400 Maryland Avenue, SW, Room 4050, Regional Office Building 3, Washington, DC 20202–4651 or to the e-mail address *vivan.reese@ed.gov.* Requests may also be electronically mailed to the Internet address *OCIO_RIMG@ed.gov* or faxed to 202–708–9346. Please specify the complete title of the information collection when making your request.

Comments regarding burden and/or the collection activity requirements should be directed to Sheila Carey at her e-mail address *Sheila.Carey@ed.gov.* Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339.

[FR Doc. 02–20167 Filed 8–8–02; 8:45 am]

**BILLING CODE 4000–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

### Notice of Application Accepted for Filing and Soliciting Comments, Motions to Intervene, and Protests

August 2, 2002.

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. Type of Application: Preliminary Permit.

b. Project No: 12207–000.

c. Date Filed: June 6, 2002.

d. Applicant: High Drop Canal Hydro, LLC.

e. Name of Project: High Drop Canal Hydroelectric Project.

f. Location: The proposed project would be located on the V Canal in Churchill County, Nevada. The proposed project would not occupy federal lands or facilities.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Applicant Contact: Mr. Brent L. Smith, Northwest Power Services, Inc., P.O. Box 535, Rigby, Idaho 83442, (208) 745–8630.

i. FERC Contact: Mr. Lynn R. Miles, Sr. (202) 219–2671.

j. Deadline for filing motions to intervene, protests and comments: 60 days from the issuance date of this notice.

All documents (original and eight copies) should be filed with: Magalie R. Salas, Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. Comments, protests and interventions may be filed electronically via the Internet in lieu of paper; see 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the ''e-Filing'' link. The Commission strongly encourages electronic filings. Please include the project number (P–12207–000) on any comments or motions filed.

The Commission's Rules of Practice and Procedure require all interveners filing documents with the Commission to serve a copy of that document on each person in the official service list for the project. Further, if an intervener files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. Description of Project: The proposed project would consist of: (1) a 108-inch-diameter, 100-foot-long steel penstock, (2) a powerhouse with an installed capacity of 1.6 megawatts, (3) a 15-kv transmission line approximately 2 miles in length, and (4) appurtenant facilities. The project would have an annual generation of 6 GWh.

l. This filing is available for review at the Commission or may be viewed on the Commission's web site at *http://www.ferc.gov* using the ''RIMS'' link, select ''Docket #'' and follow the instructions (call 202–208–2222 for assistance). A copy is also available for inspection and reproduction at the address in item h above.

m. Preliminary Permit—Anyone desiring to file a competing application for preliminary permit for a proposed project must submit the competing application itself, or a notice of intent to file such an application, to the Commission on or before the specified comment date for the particular application (see 18 CFR 4.36). Submission of a timely notice of intent allows an interested person to file the competing preliminary permit application no later than 30 days after the specified comment date for the particular application. A competing preliminary permit application must conform with 18 CFR 4.30(b) and 4.36.

n. Preliminary Permit—Any qualified development applicant desiring to file a competing development application must submit to the Commission, on or before a specified comment date for the particular application, either a competing development application or a notice of intent to file such an application. Submission of a timely notice of intent to file a development application allows an interested person to file the competing application no later than 120 days after the specified comment date for the particular application. A competing license application must conform with 18 CFR 4.30(b) and 4.36.

o. Notice of Intent—A notice of intent must specify the exact name, business address, and telephone number of the prospective applicant, and must include an unequivocal statement of intent to submit, if such an application may be filed, either a preliminary permit application or a development application (specify which type of application). A notice of intent must be served on the applicant(s) named in this public notice.

p. Proposed Scope of Studies under Permit—A preliminary permit, if issued, does not authorize construction. The term of the proposed preliminary permit would be 36 months. The work proposed under the preliminary permit would include economic analysis, preparation of preliminary engineering plans, and a study of environmental impacts. Based on the results of these studies, the Applicant would decide whether to proceed with the preparation of a development application to construct and operate the project.

q. Comments, Protests, or Motions to Intervene—Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

r. Filing and Service of Responsive Documents—Any filings must bear in all capital letters the title ''COMMENTS'', ''NOTICE OF INTENT TO FILE COMPETING APPLICATION'', ''COMPETING APPLICATION'', ''PROTEST'', ''MOTION TO INTERVENE'', as applicable, and the Project Number of the particular application to which the filing refers. Any of the above-named documents must be filed by providing the original

and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. An additional copy must be sent to Director, Division of Hydropower Administration and Compliance, Federal Energy Regulatory Commission, at the above-mentioned address. A copy of any notice of intent, competing application or motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

s. Agency Comments—Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

**Linwood A. Watson, Jr.,**

*Deputy Secretary.*

[FR Doc. 02–20048 Filed 8–8–02; 8:45 am]

BILLING CODE 6717–01–P

## DEPARTMENT OF ENERGY

### Southeastern Power Administration

### Withdrawal of the Proposal To Select a Financial Sponsor and Intent To Formulate Power Marketing Policy

**AGENCY:** Southeastern Power Administration, DOE.

**ACTION:** Notice of withdrawal.

**SUMMARY:** Southeastern Power Administration (Southeastern) is withdrawing the proposal to select a financial sponsor for the upgrade of the Wolf Creek Hydropower Project, Russell County, Kentucky, and withdrawing the Intent to Formulate Power Marketing Policy to market additional capacity from the Wolf Creek Project upgrade, due to its inability to identify a group of sponsors willing to undertake the financial responsibility of rehabilitating and upgrading the Wolf Creek Project.

**DATES:** Southeastern will accept any comments regarding this withdrawal no later than August 19, 2002.

**ADDRESSES:** Comments on the withdrawal of the proposal should be sent to: Charles A. Borchardt, Administrator, Southeastern Power Administration, 1166 Athens Tech Road, Elberton, GA 30635–6711. Telephone: (706) 213–3800.

**FOR FURTHER INFORMATION CONTACT:** Leon Jourolmon, Assistant Administrator, Finance and Marketing, Southeastern Power Administration, 1166 Athens Tech Road, Elberton, GA 30635–6711. Telephone: (706) 213–3800.

**SUPPLEMENTARY INFORMATION:** Wolf Creek Dam and Lake Cumberland constitute a significant portion of the Cumberland River Reservoir System. The Project, authorized by the Flood Control Acts of 1938 and 1946, is operated to serve flood control, hydropower, recreation, fish and wildlife, and water quality needs. Located at river mile 460.9, the power plant contains six units brought online between 1951 and 1952, and has a total nameplate capacity of 270 megawatts (310 maximum peaking capacity). Average annual generation is 906 gigawatt hours, produced at a plant factor of 38 percent. Federal policy, set forth in the Water Resources Development Act of 1986 (Pub. L. 99–662) with regard to water resource projects, is to encourage each agency to negotiate reasonable private financing for the development of approved project purposes. A Notice of Intent to solicit non-Federal sponsors was published in the **Federal Register** on September 30, 1992, 57 FR 45052.

Southeastern has been unable to identify a group of sponsors willing to undertake the financial responsibility of rehabilitating and upgrading the Wolf Creek Project and has subsequently issued this Notice of Withdrawal.

Dated: August 1, 2002.

**Charles A. Borchardt,**

*Administrator.*

[FR Doc. 02–20169 Filed 8–8–02; 8:45 am]

BILLING CODE 6450–01–P

## ENVIRONMENTAL PROTECTION AGENCY

**[ER–FRL–6631–9]**

### Environmental Impact Statements and Regulations; Availability of EPA Comments

Availability of EPA comments prepared pursuant to the Environmental Review Process (ERP), under section 309 of the Clean Air Act and section 102(2)(c) of the National Environmental Policy Act as amended. Requests for copies of EPA comments can be directed to the Office of Federal Activities at (202) 564–7167.

An explanation of the ratings assigned to draft environmental impact statements (EISs) was published in FR dated April 12, 2002 (67 FR 17992).

**Draft EISs**

*ERP No. D–BLM–J65240–WY Rating EC2*, Pittsburg and Midway (P&M) Coal Mining Proposal (WYW148816), Exchange of Private Owned Land P&M for Federally-Owned Coal, Lincoln, Carbon and Sheridan Counties, WY.

*Summary:* EPA expressed environmental concerns with impacts to air quality and the potential release of nitrous oxides from open pit blasting operations. The final EIS should address potential impacts to migratory birds, fire risk from coal seam fires on the exchanged lands and impacts from reasonably foreseeable energy development such as the possibility of an adjacent open pit coal mine.

*ERP No. D–FHW–J40156–WY Rating EC2,* Wyoming Forest Highway 4 U.S. 212 (KP 39.5 to KP 69.4) the Beartooth Highway, A Portion Proposed for Reconstruction begins 7.1 miles east of the Junction of WY–296 (Chief Joseph Highway) and Proceeds East for 18.6 miles to the Wyoming/Montana State Line, Park County, WY.

*Summary:* EPA expressed environmental concerns and recommended developing additional alternatives to reduce impacts to wetlands and other valuable ecosystems bisected by the Beartooth Highway.

**Final EISs**

*ERP No. F–COE–E39056–FL,* Lake Tohopekaliga Extreme Drawdown and Habitat Enhancement Project, Fish and Wildlife Habitat Improvements, Construction, Operation and Maintenance, Osceola County, FL.

*Summary:* EPA continues to have some significant environmental concerns about the impacts of converting littoral wetland habitat into muck disposal islands.

*ERP No. F–DOE–E06019–SC,* Savannah River Site, High-Level Waste Tank Closure (DOE/EIS–0303D), Implementation, Industrial Wastewater Closure Plan for the F and H-Area High-Level Waste Tank Systems, Aiken County, SC.

*Summary:* EPA continues to have environmental concerns about the project. In particular environmental restoration engineered capping, and tank closure issues warrant further discussion as the project progresses.

Dated: August 5, 2002.

**Joseph C. Montgomery,**

*Director, NEPA Compliance Division, Office of Federal Activities.*

[FR Doc. 02–20231 Filed 8–8–02; 8:45 am]

BILLING CODE 6560–50–P

## ENVIRONMENTAL PROTECTION AGENCY

**[ER–FRL–6631–8]**

### Environmental Impact Statements; Notice of Availability

*Responsible Agency:* Office of Federal Activities, General Information (202) 564–7167 or *http://www.epa.gov/compliance/nepa.*

Weekly receipt of Environmental Impact Statements

Filed July 29, 2002 Through August 2, 2002

Pursuant to 40 CFR 1506.9.

*EIS No. 020326, Final EIS, FHW, RI,* Sakonnet River Bridge Rehabilitation or Replacement Project, Portsmouth & Tiverton, Newport County, RI , Wait Period Ends: September 9, 2002, Contact: Daniel J. Berman (401) 528–4541.

*EIS No. 020327, Draft EIS, AFS, AK,* Shoreline Outfitter/Guide Plan, Commercial Permits Issuance for Shoreline-Based Activities on National Forest System Lands, Admiralty Island National Monument, Hoonah, Sitka and Juneau Ranger Districts, Tongass National Forest, AK, *Comment Period Ends:* November 6, 2002, Contact: Bob Dalrymple (907) 747–6671.

*EIS No. 020328, Draft EIS, BPA, WA,* Grand Coulee-Bell 500-kV Transmission Line Project, Construction and Operation, U.S. Army Corps Section 10 Permit, Douglas, Lincoln, Grant, Spokane Counties, WA, *Comment Period Ends:* September 23, 2002, Contact: Inez Graetzer (503) 230–3786. This document is available on the Internet at: *http://www.bpa.gov.*

*EIS No. 020329, Final EIS, NPS, TX,* Lake Meredith National Recreation Area and Alibates Flint Quarries National Monument Oil and Gas Management Plan, Hutchinson, Moore and Potter Counties, TX, Wait Period Ends: September 9, 2002, Contact: Karren Brown (806) 857–3151.

*EIS No. 020330, Draft EIS, FHW, AR, MS,* I–69 Mississippi River Crossing, Construction, from a western terminus at US 65 near McGehee, AR to an eastern terminus at State Highway 1 near Benoit, MS, US Coast Guard Bridge Permit, US Army Corps Section 10 and 404 Permits, NPDES Permit, Desha County, AR and Bolivar County, MS, *Comment Period Ends:* September 27, 2002, Contact: Randal Looney (501) 324–6430.

*EIS No. 020331, Draft EIS, FHW, IN,* I–69 Evansville to Indianapolis Corridor Study, I–69 Completion in Southwestern Indiana and Corridor Selection, IN, *Comment Period Ends:* November 7, 2002, Contact: Janice Osadczuk (317) 232–5468. This document is available on the Internet at: *http://www.I69indyevn.org.*

*EIS No. 020332, Final EIS, FHW, NJ,* NJ–52(1) Causeway (known as MacArthur Boulevard) Construction Project, between NJ–9 in Somers Point, Atlantic County to Bay Avenue in Ocean City City, Cape May County, Funding, COE Section 404 and 10 Permits, US CGD Permit, Atlantic and Cape May Counties, NJ, *Wait Period Ends:* September 9, 2002, Contact: Lourdes Castaneda (609) 637–4237.

*EIS No. 020333, Draft EIS, AFS, KY,* Daniel Boone National Forest Land Exchange Project, Exchanging two Federal Tracts for 98.17 Acres of Privately Owned Land located in Owsley County, Federal Lands to be considered are Tract 107AB(52.15 acres) located on Langdon Branch in Leslie County and Tract 745 (39.96 acres) located on Spicer Fork in Perry County, KY, *Comment Period Ends:* September 30, 2002, Contact: William M. Rock (859) 745–3100. This document is available on the Internet at: *http://www.southenregion.fs.fed.us/boone/ppd.htm.*

*EIS No. 020334, Draft EIS, NPS, VA,* Jamestown Project, Improvements at the Jamestown unit of Colonial National Park and the Jamestown National Historic Site, Implementation, James City County, VA, *Comment Period Ends:* October 1, 2002, Contact: Alec Gould (757) 898–2401.

*EIS No. 020335, Final EIS, AFS, ID, MT,* Lookout Pass Ski and Recreation Area (LPSRA) Expansion Project, Implementation, Amendment to the Existing Special Use Permit, NPDES Permit and COE Section 404 Permit, Idaho Panhandles National Forests, Coeur d 'Alene River Range District, ID and MT, *Wait Period Ends:* September 9, 2002, Contact: Glenn Truscott (208) 664–2318.

*EIS No. 020336, Final EIS, COE, ID, WA,* McNary Reservoir and Lower Snake River Reservoirs, Maintenance of the Authorized Navigation Channel, Dredged Material Management Plan (DMMP), Walla Walla District, Lower Snake River and Columbia River, ID and WA, *Wait Period Ends:* September 9, 2002, Contact: Jack Sands (509) 527–7287.

*EIS No. 020337, Final EIS, AFS, OR,* Shore 'Nuf Timber Sale, Timber Harvest on the Detroit Ranger District, Willamette National Forest, Linn and Marion Counties, or, *Wait Period Ends:* September 9, 2002, Contact: Jim Romero (503) 854–4212. This document is available on the Internet at: *http://www.fs.fed.us/r6/williamette/manage/nepa/current_detroit.html.*

*EIS No. 020338, Final EIS, NAS, CA,* Programmatic EIS—NASA Ames Development Plan (NADP) for Ames Research Center, New Research and Development Uses, Implementation, San Francisco Bay, Santa Clara County, CA, *Wait Period Ends:* September 9, 2002, Contact: Sandy Olliges (650) 604–3355. This document is available on the Internet at: *http://www.researchpark.arc.nasa.gov.*

**Amended Notices**

*EIS No. 020249, Draft EIS, NPS, MO,* Wilson's Creek National Battlefield General Management Plan, Implementation, Battle of Wilson's Creek Commemoration and Associated Battlefield Preservation, Greene and Christian Counties, MO, *Comment Period Ends:* August 20, 2002, Contact: Dick Lusardi (417) 732–2662. Revision of FR Notice Published on 6/21/2002: CEQ Comment Period Ending 8/5/2002 has been Corrected to 8/20/2002.

Dated: August 5, 2002.

**Joseph C. Montgomery,**

*Director, NEPA Compliance Division, Office of Federal Activities.*

[FR Doc. 02–20232 Filed 8–8–02; 8:45 am]

BILLING CODE 6560–50–P

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## ENVIRONMENTAL PROTECTION AGENCY

**[OPPT–2002–0045; FRL–7193–2]**

### National Advisory Committee for Acute Exposure Guideline Levels for Hazardous Substances; Notice of Public Meeting

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** A meeting of the National Advisory Committee for Acute Exposure Guideline Levels for Hazardous Substances (NAC/AEGL Committee) will be held on September 10–12, 2002, in Washington, DC. At this meeting, the NAC/AEGL Committee will address, as time permits, the various aspects of the acute toxicity and the development of Acute Exposure Guideline Levels (AEGLs) for the following chemicals: Benzene; carbon disulfide; 1,4-dioxane; hydrogen bromide; methylene chloride; vinyl chloride; continued review

chlorine trifluoride and toluene. The NAC/AEGL Committee will also review comments from the National Academy of Sciences Subcommittee for AEGLs for the chemicals: Allyl amine; boron trifluoride; chlorine; chlorine dioxide; chlorotrimethyl silane; dimethyldichloro silane; G-Agents; HFE-7100; hydrogen sulfide; methyl mercaptan; methyl trichlorosilane; perchloromethyl mercaptan; 2,4- and 2,6- toluene diisocyanate; and VX.

**DATES:** The meeting of the NAC/AEGL Committee will be held from 10 a.m. to 5 p.m. on September 10, 2002; from 8:30 a.m. to 5 p.m. on September 11, 2002; and from 8:30 a.m. to noon on September 12, 2002.

**ADDRESSES:** The meeting will be held at the Environmental Protection Agency, 1201 Constitution Ave., NW. (Corner of 12th St. and Constitution Ave., NW., Old Interstate Commerce Commission Bldg.), Room 1117, Washington, DC (Federal Triangle Metro stop). Visitors must bring a photo ID for entry into the building and must contact the Designated Federal Officer (DFO) to have their names added to a security entry list.

**FOR FURTHER INFORMATION CONTACT:** *For general information contact*: Barbara Cunningham, Acting Director, Environmental Assistance Division (7408M), Office of Pollution Prevention and Toxics, Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460; telephone number: (202) 554–1404; e-mail address: TSCA-Hotline@epa.gov.

*For technical information contact*: Paul S. Tobin, DFO, Office of Prevention, Pesticides and Toxic Substances (7406), 1200 Pennsylvania Ave., NW., Washington, DC 20460; telephone number: (202) 564 –8557; e-mail address: tobin.paul@epa.gov.

**SUPPLEMENTARY INFORMATION:**

## I. General Information

### *A. Does this Action Apply to Me?*

This action is directed to the public in general. This action may be of particular interest to anyone who may be affected if the AEGL values are adopted by government agencies for emergency planning, prevention, or response programs, such as EPA's Risk Management Program under the Clean Air Act and Amendments Section 112r. It is possible that other Federal agencies besides EPA, as well as State agencies and private organizations, may adopt the AEGL values for their programs. As such, the Agency has not attempted to describe all the specific entities that may be affected by this action. If you have any questions regarding the applicability of this action to a particular entity, consult the DFO listed under **FOR FURTHER INFORMATION CONTACT**.

### *B. How Can I Get Additional Information, Including Copies of this Document or Other Related Documents?*

1. *Electronically*. You may obtain electronic copies of this document, and certain other related documents that might be available electronically, from the EPA Internet Home Page at http://www.epa.gov/. To access this document, on the Home Page select ''Laws and Regulations,'' ''Regulations and Proposed Rules,'' and then look up the entry for this document under the ''**Federal Register**—Environmental Documents.'' You can also go directly to the **Federal Register** listings at http://www.epa.gov/fedrgstr/.

2. *In person*. The Agency has established an official record for this action under docket ID number OPPT–2002–0045. The official record consists of the documents specifically referenced in this action, any public comments received during an applicable comment period, and other information related to this action, including any information claimed as Confidential Business Information (CBI). This official record includes the documents that are physically located in the docket, as well as the documents that are referenced in those documents. The public version of the official record does not include any information claimed as CBI. The public version of the official record, which includes printed, paper versions of any electronic comments submitted during an applicable comment period, is available for inspection in the TSCA Non confidential Information Center, North East Mall Rm. B–607, Waterside Mall, 401 M St., SW., Washington, DC. The Center is open from noon to 4 p.m., Monday through Friday, excluding legal holidays. The telephone number of the Center is (202) 260–7099.

## II. Meeting Procedures

For additional information on the scheduled meeting, the agenda of the NAC/AEGL Committee, or the submission of information on chemicals to be discussed at the meeting, contact the DFO listed under **FOR FURTHER INFORMATION CONTACT**.

The meeting of the NAC/AEGL Committee is open to the public. Oral presentations or statements by interested parties are limited to 10 minutes. Interested parties are encouraged to contact the DFO to schedule presentations before the NAC/AEGL Committee. Since seating for outside observers may be limited, those wishing to attend the meeting as observers are also encouraged to contact the DFO at the earliest possible date to ensure adequate seating arrangements. Inquiries regarding oral presentations or submission of written statements or chemical-specific information should be directed to the DFO.

## III. Future Meetings

Another meeting of the NAC/AEGL Committee is tentatively scheduled for December 2002.

## List of Subjects

Environmental protection, Chemicals, Hazardous substances, Health.

Dated: August 5, 2002.

**William H. Sanders, III,**

*Director, Office of Pollution Prevention and Toxics.*

[FR Doc. 02–20228 Filed 8–8–02; 8:45 am]

**BILLING CODE 6560–50–S**

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## ENVIRONMENTAL PROTECTION AGENCY

**[FRL–7257–3]**

## EPA Science Advisory Board Notification of Public Advisory Committee Teleconference Meeting of the Clean Air Scientific Advisory Committee

Pursuant to the Federal Advisory Committee Act, Public Law 92–463, notice is hereby given that the Clean Air Scientific Advisory Committee (CASAC) Particulate Matter (PM) Review Panel will meet via public teleconference on Wednesday, August 28, 2002. For those in the Washington DC metro area, the meeting will be hosted out of the SAB Conference Room (Room 6013, USEPA, Ariel Rios Building, 1200 Pennsylvania Avenue, NW., Washington, DC 20004). The meeting will begin at 11 a.m. and adjourn no later than 2 p.m. Eastern Time. This meeting is open to the public; however, seating and teleconference lines are limited and available on a first come basis. Information on how to access the meeting via conference call is available from Ms. Zisa Lubarov-Walton (see contact information below). *Important Notice:* Documents that are the subject of SAB reviews are normally available from the originating EPA office and are not available from the SAB Office—information concerning availability of documents from the relevant Program Office is included below.

**Purpose of the Meeting**

The CASAC PM Review Panel will be briefed by Agency staff on plans to address issues raised at the July 18–19, 2002 Panel meeting (see 67 FR 41722, June 19, 2002 for details of that meeting). At that meeting, the Panel conducted a *peer review* of the EPA Air Quality Criteria for Particulate Matter (Third External Review Draft) prepared by EPA's National Center for Environmental Assessment (NCEA).

The focus of this meeting is for the EPA to (a) inform the Panel of its plans to coordinate the process of updating recent research identified at the July 18–19, 2002 meeting; (b) make necessary changes to the draft document (EPA Air Quality Criteria for Particulate Matter—Third External Review Draft); and (c) estimate the future review schedule for the revised draft document.

**Availability of Review Materials**

The draft review document (reviewed on July 18–19, 2002), EPA Air Quality Criteria for Particulate Matter (Third External Review Draft) assesses the latest available scientific information on the effects of airborne particulate matter (PM) on human health and welfare. To obtain a copy of the draft document, or to obtain further information concerning this document, please refer to 67 FR 31303, May 9, 2002. This review document is *not* available from the EPA Science Advisory Board.

The transcript of the July 18–19, 2002 will be available on the EPA Science Advisory Board website (*http://www.epa.gov/sab/casacpmpanel.html*) on or about the time this notice is published in the **Federal Register**.

A draft meeting agenda for the teleconference meeting will be available on the SAB website (*http://www.epa.gov/sab/casacpmpanel.html*) approximately one week prior to the meeting.

**For Further Information**

Any member of the public wishing further information concerning this meeting should contact Mr. A. Robert Flaak, Acting Deputy Director, EPA Science Advisory Board (1400A), U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW., Washington, DC 20460; telephone (202) 564–4546; FAX (202) 501–0852; or via e-mail at *flaak.robert@epa.gov*. For information on connecting to the teleconference, please contact Ms. Zisa Lubarov-Walton, EPA Science Advisory Board, Mail Code 1400A, U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW., Washington DC 20460 telephone (202) 564–4537, FAX (202) 501–0582; or via e-mail at *lubarov-walton.zisa@epa.gov*.

**Public Comments**

Since this meeting is a briefing on process and schedule, no public comments will be taken (oral or written). A public comment period will be part of the next formal peer review meeting of the Panel. This next meeting will be announced in the **Federal Register** and on the SAB website (*http://www.epa.gov/sab*).

**Meeting Access**

Individuals attending in person, and who will require special accommodation, including wheelchair access to the conference room, should contact Mr. Flaak at least five business days prior to the meeting so that appropriate arrangements can be made.

Dated: August 5, 2002.

**A. Robert Flaak,**

*Acting Director, EPA Science Advisory Board.*

[FR Doc. 02–20227 Filed 8–8–02; 8:45 am]

BILLING CODE 6560–50–P

## FEDERAL EMERGENCY MANAGEMENT AGENCY

### Agency Information Collection Activities: Proposed Collection; Comment Request

**ACTION:** Notice and request for comments.

**SUMMARY:** The Federal Emergency Management Agency, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on an extension of a currently approved information collection. In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3506 (c) (2) (A), this notice seeks comments on the Exemption of State-Owned Properties Under Self-Insurance Plan.

**SUPPLEMENTARY INFORMATION:** 44 CFR part 75 establishes standards with respect to the Federal Insurance Administrator's (FIA) determinations, that a State's plan of self-insurance is adequate and satisfactory for the purposes of the Act, from the requirement of purchasing flood insurance coverage for State-owned structures and their contents in areas identified by the Administrator as A, AO, AH, A1–A30, AE, A99, M, V, VO, V1–V30 and E zones, in which the sale of insurance has been made available. It also establishes the procedures by which a State may request exemption under section 102 C of the Act.

*Collection of Information:*

*Title:* Exemption of State-Owned Properties Under Self-Insurance Plan.

*Type of Information Collection:* Extension of a currently approved collection.

*OMB Number:* 3067–0127.

*Abstract:* The application for exemption is made to the Federal Insurance Administration by the Governor or other duly authorized official of the State accompanied by sufficient supporting documentation which certifies that the plan of self-insurance upon which the application for exemption is based meets or exceed the standards set forth in 44 CFR section 75.11. Upon determining that the State's plan of self-insurance equals or exceeds the standards, the Administrator then certifies that the State is exempt from the requirements for the purchase of flood insurance for State-owned structures and their contents.

*Affected Public:* State, Local, or Tribal Government.

*Number of Respondents:* 20.

*Hours Per Response:* 5.

*Estimated Total Annual Burden Hours:* 100 hours.

*Estimated Cost:* $3,000.

*Comments:* Written comments are solicited to (a) evaluate whether the proposed data collection is necessary for the proper performance of the agency, including whether the information shall have practical utility; (b) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) enhance the quality, utility, and clarity of the information to be collected; and (d) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses. Comments should be received within 60 days of the date of this notice.

**ADDRESSES:** Interested persons should submit written comments to Muriel B. Anderson, Chief, Records Management Section, Program Services and Systems Branch, Facilities Management and Services Division, Administration and Resource Planning Directorate, Federal Emergency Management Agency, 500 C Street, SW., Room 316, Washington, DC 20472.

**FOR FURTHER INFORMATION CONTACT:** You may contact Ms. Mary Ann Chang, Federal Insurance Administration, (202) 646–2790. For copies of the proposed

collection information please contact Ms. Anderson at telephone number (202) 646–2625, facsimile number or e-mail *muriel.anderson@fema.gov*.

Dated: July 31, 2002.

**Reginald Trujillo,**

*Branch Chief, Program Services and Systems Branch, Facilities Management and Services Division, Administration and Resource Planning Directorate.*

[FR Doc. 02–20149 Filed 8–8–02; 8:45 am]

**BILLING CODE 6718–01–P**

## FEDERAL EMERGENCY MANAGEMENT AGENCY

### Agency Information Collection Activities: Proposed Collection; Comment Request

**ACTION:** Notice and request for comments.

**SUMMARY:** The Federal Emergency Management Agency, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed continuing information collections. In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3506(c)(2)(A)), this notice seeks comments concerning a company's eligibility for participation in the WYO. Program requirements require a one-time submission demonstrating their qualification for participation in the program.

**SUPPLEMENTARY INFORMATION:** The WYO was established in response to the increase in losses and escalating costs of natural disasters to American taxpayers. The Federal Insurance and Mitigation Administration (FIMA) has obtained the participation of private insurance companies in a joint venture to market and service flood insurance under their own names. FIMA may enter into an agreement with private insurance companies, whereby these companies may offer flood insurance coverage to eligible property owners. FIMA requires a one-time submission of information to determine a company's qualification, as set forth in 44 CFR part 62, subpart 62.24. FIMA requires the information to determine whether an applicant for entry or reentry has the ability to process flood insurance and meet the reporting requirements of the WYO Financial Control Plan.

*Collection of Information:*

*Title:* Write Your Own Program (WYO) Company Participation Criteria; New Applicants.

*Type of Information Collection:* New Collection.

*Form Numbers:* 3067–0259.

*Abstract:* Under the Write Your Own Program, private sector insurance companies may offer flood insurance to eligible property owners. The Federal Government is a guarantor of flood insurance coverage for WYO Companies, issued under the WYO arrangement. To determine eligibility for participation in the WYO, the NFIP is requiring a one-time submission demonstrating their qualification for participation from each new company seeking entry into the Program.

*Affected Public:* Business or other for profit.

*Estimated Total Annual Burden Hours:* 25.

| FEMA forms | No. of respondents (A) | Frequency of response (B) | Hours per response (C) | Annual burden hours (A x B x C) |
|---|---|---|---|---|
| | 5 | 1 | 5 | 25 |
| Total | 5 | 1 | 5 | 25 |

*Estimated Cost:* None

*Comments:* Written comments are solicited to (a) evaluate whether the proposed data collection is necessary for the proper performance of the agency, including whether the information shall have practical utility; (b) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) enhance the quality, utility, and clarity of the information to be collected; and (d) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses. Comments should be received within 60 days of the date of this notice.

**ADDRESSES:** Interested persons should submit written comments to Muriel B. Anderson, Chief, Records Management Section, Program Services and Systems Branch, Facilities and Services Management Division, Administration and Resource Planning Directorate, Federal Emergency Management Agency, 500 C Street, SW., Room 316, Washington, DC 20472.

**FOR FURTHER INFORMATION CONTACT:** Contact Edward L. Connor, Director, Program Finance and Industry Relations Division, 202–646–3429 for additional information. You may contact Ms. Anderson for copies of the proposed collection of information at telephone number (202) 646–2625 or facsimile number (202) 646–3347 or e-mail *muriel.Anderson@fema.gov.*

Dated: July 29, 2002.

**Reginald Trujillo,**

*Branch Chief, Program Services and Systems Branch, Facilities and Services Management Division, Administration and Resource Planning Directorate.*

[FR Doc. 02–20150 Filed 8–8–02; 8:45 am]

**BILLING CODE 6718–01–P**

## FEDERAL EMERGENCY MANAGEMENT AGENCY

### Agency Information Collection Activities: Submission for OMB Review; Comment Request

**ACTION:** Notice and request for comments.

**SUMMARY:** The Federal Emergency Management Agency has submitted the following proposed information collection to the Office of Management and Budget for review and clearance in accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507).

*Title:* Standard Flood Hazard Determination Form.

*Type of Information Collection:* Revision of a currently approved collection.

*Affected Public:* Business or other for-profit; individuals or households, and Federal Government. This form is completed by federally regulated lending institutions when making, increasing, extending, renewing or purchasing each loan for the purpose of documenting the factors considered as

to whether flood insurance is required and available. FEMA does not collect this information from the lenders.

*OMB Number:* 3067–0264.

*Abstract:* On September 23, 1994, President Clinton signed the Riegle Community Development and Regulatory Improvement Act of 1994. Title V of this Act is the National Flood Insurance Reform Act (NFIRA). Section 528 of the NFIRA required the development of a standard form for determining whether a structure is located within an identified Special Flood Hazard Area and whether flood insurance is available. Section 528 of the NFIRA also required the use of this form by regulated lending institutions, federal agency lenders, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, for any loan made, increased, extended, renewed, or purchased by these entities. FEMA, in consultation with the Federal entities for lending regulation, developed this form in 1995. On July 6, 1995, FEMA published a final rule in the **Federal Register**, establishing the form. The Federal entities for lending regulation published their final rule requiring the use of the form on July 6, 1995. Use of the form became mandatory on January 2, 1996.

*Affected Public:* This form is completed by federally regulated lending institutions when making, increasing, extending, renewing or purchasing each loan for the purpose of documenting the factors considered as to whether flood insurance is required and available.

*Number of Respondents:* An estimated 20,000,000 affected loan applications are processed each year.

*Estimated Time per Respondent:* The estimated burden time for completing the form is 20 minutes per respondent.

*Estimated Total Annual Burden Hours:* An estimated 20,000,000 loan transactions multiplied by 0.33 hour per form, results in an estimated annual burden of approximately 6,600,000 hours.

*Frequency of Response:* The form is required of federally regulated lending institutions when making, increasing, extending, renewing or purchasing any loan secured by improved real estate.

**Comments**

Interested persons are invited to submit written comments on the information collection to David Rostker, Desk Officer for the Federal Emergency Management Agency, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 within 30 days of the date of this notice.

**FOR FURTHER INFORMATION CONTACT:** For additional information about the Standard Flood Hazard Determination Form contact Ms. Anne Flowers at (202) 646–2748. To request copies of the proposed information collection contact Muriel B. Anderson, FEMA Information Collections Officer, Federal Emergency Management Agency, 500 C Street, SW., Room 316, Washington, DC 20472. Telephone number (202) 646–2625. FAX number (202) 646–3524, email address: *muriel.anderson@fema.gov*.

Dated: July 31, 2002.

**Reginald Trujillo,**

*Director, Program Services and Systems Branch, Facilities Management and Services Division, Administration and Resource Planning Directorate.*

[FR Doc. 02–20148 Filed 8–8–02; 8:45 am]

BILLING CODE 6718–01–P

## FEDERAL EMERGENCY MANAGEMENT AGENCY

### Agency Information Collection Activities: Submission for OMB Review; Comment Request

**ACTION:** Notice and request for comments.

**SUMMARY:** The Federal Emergency Management Agency has submitted the following proposed information collection to the Office of Management and Budget for review and clearance in accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507).

*Title:* Request for Site Inspection; Landowner's Authorization/Ingress/Egress Agreement.

*Type of Information Collection:* Revision of a currently approved collection.

*OMB Number:* 3067–0222.

*Abstract:* FEMA's Temporary Housing Assistance is used to provide mobile homes, travel trailers, or other forms of readily prefabricated forms of housing for the purpose of providing temporary housing to eligible applicants or victims of federally declared disasters. This information is required to determine the feasibility of the site for installation of the housing unit and ensures written permission of the property owner is obtained to allow the housing unit on to the property to include ingress and egress permission.

*Affected Public:* Individuals or households.

*Number of Respondents:* 1000.

*Estimated Time per Respondent:*

| FEMA Forms | No. of respondents (A) | No. of responses (B) | Hours per response (C) | Annual burden hours (A x B x C) |
|---|---|---|---|---|
| 90–1 | 1000 | 1000 | 10 minutes | 167 |
| 90–31 | 1000 | 1200 | 10 minutes | 200 |
| Total | 1000 | 2200 | | 367 |

*Frequency of Response:* On Occasion.

*Comments:* Interested persons are invited to submit written comments on the proposed information collection to the Desk Officer for the Federal Emergency Management Agency, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 within 30 days of the date of this notice.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the information collection should be made to Muriel B. Anderson, Chief, Records Management Section, Program Services and Systems Branch, Facilities Management and Services Division, Administration and Resource Planning Directorate, Federal Emergency Management Agency, 500 C Street, SW., Room 316, Washington, DC 20472, telephone number (202) 646–2625 or facsimile number (202) 646–3347, or e-mail *muriel.anderson@fema.gov.*

Dated: July 23, 2002.

**Reginald Trujillo,**

*Branch Chief, Program Services and Systems Branch, Facilities Management and Services Division, Administration and Resource Planning Directorate.*

[FR Doc. 02–20151 Filed 8–8–02; 8:45 am]

BILLING CODE 6718–01–P

## FEDERAL EMERGENCY MANAGEMENT AGENCY

**[FEMA–1421–DR]**

### Colorado; Amendment No. 1 to Notice of a Major Disaster Declaration

**AGENCY:** Federal Emergency Management Agency (FEMA).

**ACTION:** Notice.

**SUMMARY:** This notice amends the notice of a major disaster declaration for the State of Colorado, (FEMA–1421-DR), dated June 19, 2002, and related determinations.

**EFFECTIVE DATE:** July 29, 2002.

**FOR FURTHER INFORMATION CONTACT:** Rich Robuck, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 0646–2705 or *Rich.Robuck@fema.gov.*

**SUPPLEMENTARY INFORMATION:** The notice of a major disaster declaration for the State of Colorado is hereby amended to include the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 19, 2002: Larimer, Jackson, and Weld Counties for Individual Assistance.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program.)

**Joe M. Allbaugh,**

*Director.*

[FR Doc. 02–20153 Filed 8–8–02; 8:45 am]

**BILLING CODE 6718–02–P**

## FEDERAL EMERGENCY MANAGEMENT AGENCY

**[FEMA–1425–DR]**

### Texas; Amendment No. 10 to Notice of a Major Disaster Declaration

**AGENCY:** Federal Emergency Management Agency (FEMA).

**ACTION:** Notice.

**SUMMARY:** This notice amends the notice of a major disaster declaration for the State of Texas, (FEMA–1425–DR), dated July 4, 2002, and related determinations.

**EFFECTIVE DATE:** July 29, 2002.

**FOR FURTHER INFORMATION CONTACT:** Rich Robuck, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–2705 or *Rich.Robuck@fema.gov.*

**SUPPLEMENTARY INFORMATION:** The notice of a major disaster declaration for the State of Texas is hereby amended to include the following area among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of July 4, 2002: Calhoun County for Individual Assistance and direct Federal Assistance under section 408 of the Stafford Act, 42 USC 5174.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program.)

**Joe M. Allbaugh,**

*Director.*

[FR Doc. 02–20154 Filed 8–8–02; 8:45 am]

**BILLING CODE 6718–02–P**

## FEDERAL HOUSING FINANCE BOARD

### Announcing an Open Meeting of the Board; Sunshine Act Notice

**TIME AND DATE:** 10 a.m., Wednesday, August 14, 2002.

**PLACE:** Board Room, Second Floor, Federal Housing Finance Board, 1777 F Street, NW., Washington, DC 20006.

**STATUS:** The entire meeting will be open to the public.

**MATTER TO BE DISCUSSED:** Standards of Conduct.

**CONTACT PERSON FOR MORE INFORMATION:** Elaine L. Baker, Secretary to the Board, (202) 408–2837.

**Arnold Intrater,**

*Acting General Counsel.*

[FR Doc. 02–20363 Filed 8–7–02; 2:15 pm]

**BILLING CODE 6725–01–M**

## FEDERAL RESERVE SYSTEM

### Agency Information Collection Activities: Proposed Collection; Comment Request

**AGENCY:** Board of Governors of the Federal Reserve System

**ACTION:** Notice

**SUMMARY:** *Background*: On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act, as per 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320 Appendix A.1. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the OMB 83–I'N and supporting statements and approved collection of information instruments are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

*Request for Comment on Information Collection Proposal(s):*The following information collections, which are being handled under this delegated authority, have received initial Board approval and are hereby published for comment. At the end of the comment period, the proposed information collections, along with an analysis of comments and recommendations received, will be submitted to the Board for final approval under OMB delegated authority. Comments are invited on the following:

a. whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;

b. the accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

c. ways to enhance the quality, utility, and clarity of the information to be collected; and

d. ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

**DATES:** Comments must be submitted on or before October 8, 2002.

**ADDRESSES:** Comments may be mailed to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551. However, because paper mail in the Washington area and at the Board of

Governors is subject to delay, please consider submitting your comments by e–mail to *regs.comments@federalreserve.gov*, or faxing them to the Office of the Secretary at 202–452–3819 or 202–452–3102. Comments addressed to Ms. Johnson may also be delivered to the Board's mail facility in the West Courtyard between 8:45 a.m. and 5:15 p.m., located on 21st Street between Constitution Avenue and C Street, N.W. Members of the public may inspect comments in Room MP–500 between 9:00 a.m. and 5:00 p.m. on weekdays pursuant to 261.12, except as provided in 261.14, of the Board's Rules Regarding Availability of Information, 12 CFR 261.12 and 261.14.

A copy of the comments may also be submitted to the OMB desk officer for the Board: Joseph F. Lackey, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:** A copy of the proposed form and instructions, the Paperwork Reduction Act Submission (OMB 83–I), supporting statement, and other documents that will be placed into OMB's public docket files once approved may be requested from the agency clearance officer, whose name appears below. Mary M. West, Federal Reserve Board Clearance Officer (202–452–3829), Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may call 202–263–4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

**Proposal to approve under OMB delegated authority the extension for three years, without revision, of the following reports:**

*1. Report title:* Recordkeeping and Disclosure Requirements in Connection with Regulation B (Equal Credit Opportunity)

*Agency form number:* Reg B.

*OMB control number:* 7100–0201.

*Frequency:* Event–generated.

*Reporters:* State member banks, branches and agencies of foreign banks (other than federal branches, federal agencies, and insured state branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act.

*Annual reporting hours:* 169,603 hours.

*Estimated average hours per response:* Notice of action, 2.50 minutes; credit history reporting, 2 minutes; monitoring data, 0.50 minutes; appraisal report upon request 5.00 minutes; notice of right to appraisal, 0.25 minutes; recordkeeping of self–test, 2 hours; and recordkeeping of corrective action for self–test, 8 hours

*Number of respondents:* 1,350

Small businesses are affected.

*General description of report:* This information collection is mandatory (15 U.S.C. 1691(a)(1)). The adverse action disclosure is confidential between the institution and the consumer involved. Since the Federal Reserve does not collect any information, no issue of confidentiality normally arises. However, the information may be protected from disclosure under the exemptions (b)(4), (6), and (8) of the Freedom of Information Act (5 U.S.C. 522 (b)).

*Abstract:* The Equal Credit Opportunity Act and Regulation B prohibit discrimination in any aspect of a credit transaction because of race, color, religion, national origin, sex, marital status, age, or other specified bases. To aid in implementation of this prohibition, the statute and regulation also subject creditors to various mandatory disclosure requirements, notification provisions, credit history reporting, monitoring rules, and recordkeeping requirements. These requirements are triggered by specific events and disclosures must be provided within the time periods established by the Act and regulation.

**2. Report title: Recordkeeping and Disclosure Requirements in Connection with Regulation E (Electronic Funds Transfer)**

*Agency form number:* Reg E.

*OMB control number:* 7100–0200.

*Frequency:* Event–generated.

*Reporters:* State member banks, branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured state branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act

*Annual reporting hours:* 48,868 hours

*Estimated average hours per response:* Initial terms disclosure, 1.5 minutes; change in terms disclosure, 1 minute; periodic disclosure, 7 hours; and error resolution rules, 30 minutes

*Number of respondents:* 1,289

Small businesses are affected.

*General description of report:* This information collection is mandatory (15 U.S.C. 1693 *et seq.*). Since the Federal Reserve does not collect any information, no issue of confidentiality arises. However, the information, if made available to the Federal Reserve, may be protected from disclosure under exemptions (b)(4), (6), and (8) of the Freedom of Information Act (5 U.S.C. § 552 (b)(4), (6), and (8)). The disclosures required by the rule and information about error allegations and their resolution are confidential between the institution and the consumer.

*Abstract:* The Electronic Funds Transfer Act and Regulation E are designed to ensure adequate disclosure of basic terms, costs, and rights relating to electronic fund transfer (EFT) services provided to consumers. Institutions offering EFT services must disclose to consumers certain information, including: initial and updated EFT terms, transaction information, periodic statements of activity, the consumer's potential liability for unauthorized transfers, and error resolution rights and procedures. EFT services include automated teller machines, telephone bill payment, point–of–sale transfers in retail stores, fund transfers initiated through the internet, and preauthorized transfers to or from a consumer's account.

Board of Governors of the Federal Reserve System, August 5, 2002.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 02–20168 Filed 8–8–02; 8:45 am]

**BILLING CODE 6210–01–S**

## FEDERAL RESERVE SYSTEM

### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also

includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States. Additional information on all bank holding companies may be obtained from the National Information Center website at www.ffiec.gov/nic/.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than September 6, 2002.

**A. Federal Reserve Bank of San Francisco** (Maria Villanueva, Consumer Regulation Group) 101 Market Street, San Francisco, California 94105–1579:

*1. Today's Bancorp, Inc.*, Vancouver, Washington; to become a bank holding company by acquiring 100 percent of Today's Bank, Vancouver, Washington.

Board of Governors of the Federal Reserve System, August 6, 2002.

**Robert deV. Frierson,**

*Deputy Secretary of the Board.*

[FR Doc. 02–20243 Filed 8–8–02; 8:45 am]

**BILLING CODE 6210–01–S**

## GENERAL SERVICES ADMINISTRATION

### Federal Supply Service; Household Goods Tender of Service (HTOS); Conversion of Centralized Household Goods Traffic Management Program (CHAMP) Flat Industrial Funding Fee (IFF) to a Percentage IFF

**AGENCY:** Federal Supply Service, GSA.

**ACTION:** Notice of final implementation of new CHAMP percentage IFF.

**SUMMARY:** This notice announces GSA's conversion of the CHAMP IFF from a $145 flat fee to a comparable percentage IFF computed on a shipment's total net transportation charge (excluding storage in transit (SIT) fees) as follows: 2.5 percent (.025) for shipments that move between points wholly within the continental United States, and 1.5 percent (.015) for all other shipments. The change merely is procedural in nature and not intended to result in additional cost to customer agencies. It's purpose is to align the CHAMP IFF with the percentage IFF calculation method the Federal Supply Service uses to fund most of its other programs, and to automatically keep pace with inflation.

**DATES:** This change is effective November 1, 2002.

**FOR FURTHER INFORMATION CONTACT:** Ms. Lynn Ju, Transportation Programs Branch, by phone at 703–305–7060 or by e-mail at *lynnette.ju@gsa.gov.*

**SUPPLEMENTARY INFORMATION:** GSA published a notice in the **Federal Register** on June 21, 2002 (67 FR 42259) soliciting comments on our proposal to convert the CHAMP IFF from a $145 flat fee to a comparable fee of 2.75 percent of a shipment's total net transportation charge (excluding storage in transit (SIT) fees). We received comments, categorized as follows, from 3 federal agencies, 4 transportation service providers, and 2 industry associations:

*Shipments Moving Wholly Within the Continental United States*

- Moyer & Sons Moving and Storage, Inc., Department of Interior, and Bureau of Prisons recommended an IFF of less than 2.75 percent.
- American Moving and Storage Association (AMSA) recommended a 3.0 percent IFF.

*Shipments Other Than Shipments Moving Wholly Within the Continental United States*

- Atlas Van Lines International, RBI Global Relocation Services, Department of State, and Department of Interior recommended an IFF of less than 2.75 percent.
- Bureau of Prisons recommended an IFF of no more than 2 percent.
- AMSA recommended a 1.75 percent IFF.
- Arpin International Group and the Household Goods Forwarders Association of America, Inc. recommended a 1.5 percent IFF.

Following publication of the request for comments, GSA met with the household goods carrier and forwarder associations and with GSA customer agencies. We analyzed agencies' shipment data (volume, net shipment charges, and IFF's submitted), and carefully considered all comments received. Based on the comments, our data analysis, and careful deliberation, we have established the new percentage IFF at 2.5 percent for shipments that move between points wholly within the continental United States, and 1.5 percent for all other shipments. These percentage levels, reflecting the concerns of our customers expressed in their comments, will generate an IFF charge per shipment generally equivalent to the current $145 flat fee. The percentage will be applied as reflected in the Request for Offers; *i.e.* on a multiple component shipment (household goods, privately owned vehicle (POV), and/or unaccompanied baggage) it will be applied to the highest weighted component shipped within a 6-month period; it will be separately applied to any component shipped more than 6 months after shipment of the initial component.

This change aligns the CHAMP IFF with the Federal Supply Service's funding mechanism for most of its other programs and automatically will adjust to the level of inflation. The method of collection will remain the same. That is, transportation service providers will continue to incorporate the IFF in the discounted rates they file with GSA and will pay the IFF to GSA, albeit based on the applicable percentage of a shipment's net transportation charge (absent SIT) instead of a flat fee.

GSA will monitor agencies' shipment volumes, net transportation charges, and IFF's calculated under the new percentages to determine the need for any future adjustments. We value our customers and want to ensure CHAMP funding is commensurate with providing quality service while covering our costs and no higher.

The conversion to a percentage IFF requires certain revisions to the HTOS which are reflected in the attachment to this notice. The currently effective percentage IFF will be specified in each GSA Request for Offers.

Dated: August 2, 2002.

**Jeffrey J. Thurston,**

*Acting Assistant Commissioner, Officer of Transportation and Property Management.*

### Attachment—Changes to Household Goods Tender of Service, Section 9—Reporting Requirements

*9–3.1.4 Industrial Funding Fee*

The Industrial Funding Fee (IFF) amount must equal the sum of all shipment net charges reported in HTOS Section 9–3.1.2, multiplied by the applicable IFF percentage identified in the Request for Offers. Any deficiencies identified will be handled as specified in HTOS Sections 9–3.1.4.1. and 9–3.1.4.2.

*9–3.2.2.2. Shipment Report Spreadsheet Format*

Entry format is text entry (*i.e.,* left aligned). Fields marked with an asterisk (*) are numeric and must, if necessary, be zero filled from the left (*i.e.,* 00250 for 250) depending on the field size. Save the file as a comma-separated file (.CSV) then rename as necessary (.SHP or .ERS).

| Field | Required positions | Record position(s) | Contents |
|---|---|---|---|
| Record ID | 1 | 1 | Must be S. |
| Field Delimiter | 1 | 2 | Comma. |
| SCAC | 4 | 3–6 | Four (4) digit Standard Carrier Alpha Code (SCAC) identifying the carrier the GBL/CBL was issued to. |
| Field Delimiter | 1 | 7 | Comma. |
| Type of Transportation | 2 | 8–9 | Enter GD for General Domestic, GI for General International, DD for Direct Domestic Move Management (MMS), DI for Direct International MMS, BD for Broker Domestic MMS, or BI for Broker International MMS. |
| Field Delimiter | 1 | 10 | Comma. |
| Type of Move | 3 | 11–13 | If the GBL/CBL was used for household goods, put in HHG; for Automobile, put in POV; for Unaccompanied Air Baggage, put in UAB. **If multiple elements were moved using one GBL/CBL, each element must have an individual shipment record. |
| Field Delimiter | 1 | 14 | Comma. |
| Federal Agency Identification Code | 9 | 15–23 | Agency's 9 digit User ID code used to access ITMS. This User ID can be obtained directly from the user agency or from the ITMS system itself. If unable to obtain the proper User ID, please contact the PMO. Records with this field blank. X or zero-filled will not be accepted. |
| Field Delimiter | 1 | 24 | Comma. |
| Carrier Reference Number | 15 | 25–39 | Carrier reference number used when the shipment was booked by the carrier. Start the reference number with position 25. If reference number does not consist of 15 numbers, place X's after number to fill out the 15 positions. Example: Reference number 135895 would appear as 135895XXXXXXXXX. Records with this field blank, X or zero filled will not be accepted. |
| Field Delimiter | 1 | 40 | Comma. |
| Billing Date | 8 | 41–48 | Date of Agency Billing (YYYYMMDD) (Example: 20020215 = February 15, 2002). |
| Field Delimiter | 1 | 49 | Comma. |
| BL Number | 8 | 50–57 | Bill of Lading Number. Use GBL/CBL number associated with the shipment. If CBL number is less then 8 characters, place X's after the number to fill in field. Records with this field blank or zero filled will not be accepted. |
| Field Delimiter | 1 | 58 | Comma. |
| Type of GBL/CBL | 1 | 59 | Input V if Virtual GBL/CBL was used. Input G if Standard GBL/CBL was used. |
| Field Delimiter | 1 | 60 | Comma. |
| Pickup Date | 8 | 61–68 | YYYYMMDD (see Billing Date). |
| Field Delimiter | 1 | 69 | Comma. |
| Delivery Date | 8 | 70–77 | YYYYMMDD (see Billing Date). |
| Field Delimiter | 1 | 78 | Comma. |
| *Transit Time | 3 | 79–81 | Actual Transit Time in days. Example: 007 = 7 days/. |
| Field Delimiter | 1 | 82 | Comma. |
| Origin State or Country Code | 4 | 83–86 | Four digit state or country identifier. State is the two digit state identifier, all CAPS, plus two (2) zeros (0). Example: FL00. Country code is the four-digit country code as listed in the most current Request For Offers. Example: Germany = 3940. Records with this field blank, X or zero filled will not be accepted. |
| Field Delimiter | 1 | 87 | Comma. |
| Origin Zip Code | 5 | 88–92 | 5-digit zip (X Fill for Canada or International Shipments). |
| Field Delimiter | 1 | 93 | Comma. |
| Destination State or Country Code | 4 | 94–97 | See Origin State above. Records with this field blank, X or zero filled will not be accepted. |
| Field Delimiter | 1 | 98 | Comma. |
| Destination Zip Code | 5 | 99–103 | 5-digit zip (X Fill for Canada or International Shipments). |
| Field Delimiter | 1 | 104 | Comma. |
| *Actual Weight Shipped | 5 | 105–109 | In pounds for HHG or UAB. Example: 09800 = 9800 pounds. If the record is for POV, place five (5) zeros, 00000. **If field is zero filled for POV, positions 11–13 must state POV. |
| Field Delimiter | 1 | 110 | Comma. |
| *Mileage | 4 | 111–114 | Whole miles only. Example: 0750 = 750 miles. This field should be zero filled for International moves. |
| Field Delimiter | 1 | 115 | Comma. |
| *Discount Offered | 3 | 116–118 | Domestic: Discount off the current 415 tariff; International: Percentage of the base line rate tables contained in the Request for Offers. |
| Field Delimiter | 1 | 119 | Comma. |
| *Gross Charges | 5 | 120–124 | Exclusive of SIT charges, in whole dollars only. |
| Field Delimiter | 1 | 125 | Comma. |
| *Net Charges | 5 | 126–130 | Exclusive of SIT charges, in whole dollars only. Example: 07600 = $7,600.00. |
| Field Delimiter | 1 | 131 | Comma. |

| Field | Required positions | Record position(s) | Contents |
|---|---|---|---|
| Employee's Last Name | 15 | 132–146 | Last name of the employee listed on the GBL/CBL in all CAPS. If the employee's name does not consist of 15 letters, place X's after the name to fill out the 15 positions. Example: The name of Jones would appear as JONESXXXXXXXXXX. Records with this field blank, X or zero filled will not be accepted. |
| Field Delimiter | 1 | 147 | Comma. |
| Participant's Tax ID Number | 9 | 148–156 | Participant TIN. |

| A | B | C | D | E | F | G | H | I | J | K | L |
|---|---|---|---|---|---|---|---|---|---|---|---|
| S | GSAA | GD | HHG | RXPG8TY43 | Q794912349XXXXX | 19990612 | S12345XX | V | 19990105 | 19990312 | 007 |

| M | N | O | P | Q | R | S | T | U | V | W |
|---|---|---|---|---|---|---|---|---|---|---|
| MO00 | 64131 | OK00 | 71222 | 10030 | 0400 | 056 | 12500 | 05500 | SMITH-BATTSONXX | 103777444 |

| A | B | C | D | E | F | G | H | I | J | K | L |
|---|---|---|---|---|---|---|---|---|---|---|---|
| S | GSAA | GI | POV | RXPG8TY43 | Q794–P912666XXX | 19991012 | PP123456 | G | 19990601 | 19990724 | 053 |

| M | N | O | P | Q | R | S | T | U | V | W |
|---|---|---|---|---|---|---|---|---|---|---|
| MO00 | 64131 | 490J | XXXXX | 00000 | 0000 | 165 | 15500 | 15500 | SMITH-BATTSONXX | 103777444 |

[FR Doc. 02–20127 Filed 8–8–02; 8:45 am]

**BILLING CODE 6820–24–M**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Agency for Healthcare Research and Quality, Notice of Meeting

In accordance with section 10(d) of the Federal Advisory Committee Act (5 U.S.C., Appendix 2), announcement is made of a Health Care Policy and Research Special Emphasis Panel (SEP) meeting.

The Health Care Policy and Research Special Emphasis Panel is a group of experts in fields related to health care research who are invited by the Agency for Healthcare Research and Quality (AHRQ), and agree to available, to conduct, on an as needed basis, scientific reviews of applications for AHRQ support. Individual members of the Panel do not meet regularly and do not serve for fixed terms or long periods of time. Rather, they are asked to participate in particular review meetings which require their type of expertise.

Substantial segments of the upcoming SEP meeting listed below will be closed to the public in accordance with the Federal Advisory Committee Act, section 10(d) of 5 U.S.C., Appendix 2 and 5 U.S.C. 552b(c)(6). Grant applications for Partnerships for Quality Cooperative Agreement (U18) Grant Awards are to be reviewed and discussed at this meeting. These discussions are likely to include personal information concerning individuals associated with these applications. This information is exempt from mandatory disclosure under the above-cited statutes.

*SEP Meeting on:* Partnership for Quality Cooperative Agreement Grant Projects.

*Date:* September 9–10, 2002 (Open on September 9, from 8 a.m. to 8:15 a.m. and closed for remainder of the meeting).

*Place:* Holiday Inn, Bethesda, 8120 Wisconsin Avenue, Bethesda, MD 20814.

*Contact Person:* Anyone wishing to obtain a roster of members or minutes of this meeting should contact Mrs. Bonnie Campbell, Committee Management Officer, Officer of Research Review, Education and Policy, AHRQ, 2101 East Jefferson Street, Suite 400, Rockville, Maryland 20852, Telephone (301) 594–1846.

Agenda items for this meeting are subject to change as priorities dictate.

Dated: August 2, 2002.

**Carolyn M. Clancy,**

*Acting Director.*

[FR Doc. 02–20123 Filed 8–8–02; 8:45 am]

**BILLING CODE 4160–90–M**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Agency for Healthcare Research and Quality

### Contract Review Meeting

In accordance with section 10(a) of the Federal Advisory Committee Act as amended (5 U.S.C., Appendix 2), announcement is made of an Agency for Healthcare Research and Quality (AHRQ) Technical Review Committee (TRC) meeting. This TRC's charge is to review contract proposals and provide recommendations to the Acting Director, AHRQ, with respect to the technical merit of proposals submitted in response to a Request for Proposals (RFP) regarding a ''Patient Safety Database.'' The RFP was published in the FedBizOpps on June 18, 2002.

The upcoming TRC meeting will be closed to the public in accordance with the Federal Advisory Committee Act (FACA), section 10(d) of 5 U.S.C., Appendix 2 and procurement regulations, 41 CFR 101–6.1023 and 48 CFR 315.604(d). The discussions at this meeting of contract proposals submitted in response to the above-referenced RFP are likely to reveal proprietary information and personal information concerning individuals associated with the proposals. Such information is exempt from disclosure under the above-cited FACA provision that protects the free exchange of candid views, and under the procurement rules that prevent undue interference with Committee and Department operations.

*Name of TRC:* The Agency for Healthcare Research and Quality—''Patient Safety Database''.

*Date:* August 22 and 23, 2002.

*Place:* Agency for Healthcare Research & Quality, 6010 Executive Blvd, 4th Floor Conference Center, Rockville, Maryland 20852.

*Contact Person:* Anyone wishing to obtain information regarding this meeting should contact James Battles, Center for Quality Improvement and Patient Safety, Agency for Healthcare Research and Quality, 6011 Executive Blvd, Suite 200, Rockville, Maryland, 20852, 301–594–9892.

Dated: August 2, 2002.

**Carolyn M. Clancy,**

*Acting Director.*

[FR Doc. 02–20218 Filed 8–8–02; 8:45 am]

BILLING CODE 4160–90–M

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration on Aging

### Agency Information Collection Activities; Submission for OMB Review; Comment Request; Revision of Information Collection

**AGENCY:** Administration on Aging, HHS.

**ACTION:** Notice.

**SUMMARY:** The Administration on Aging (AoA) is announcing that the proposed collection of information listed below has been submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act of 1995.

**DATES:** Submit written comments on the collection of information by September 9, 2002.

**ADDRESSES:** Submit written comments on the collection of information to the Office of Information and Regulatory Affairs, OMB, New Executive Office Bldg., 725 17th St. NW., rm. 10235, Washington, DC 20503, Attn: Allison Herron Eydt, Desk Officer for AoA.

**FOR FURTHER INFORMATION CONTACT:** Administration on Aging ATTN: Sue Wheaton Cohen Building, 330 Independence Ave, SW., Washington, DC 20201.

**SUPPLEMENTARY INFORMATION:** In compliance with 44 U.S.C. 3507, AoA has submitted the following proposed collection of information to OMB for review and clearance.

The collection consists of complaint, case, major long-term care issue and program operations information for the Long-Term Care Ombudsman Report (NORS), which State Offices of the Long-Term Care Ombudsman are required to submit annually to the Assistant Secretary for Aging. The collection includes the format and instructions for the report and a form for certifying state compliance with Older Americans Act ombudsman program funding requirements.

AoA estimates the burden of this collection of information as follows: 7620 hours.

In the **Federal Register** of February 28, 2002 (Vol 67; page 9279), the agency requested comments on the proposed collection of information. No comments were received.

Dated: July 17, 2002.

**Josefina G. Carbonell,**

*Assistant Secretary for Aging.*

[FR Doc. 02–20256 Filed 8–8–02; 8:45 am]

BILLING CODE 4154–01–P

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Disease Control and Prevention

**[30DAY–41–02]**

### Agency Forms Undergoing Paperwork Reduction Act Review

The Centers for Disease Control and Prevention (CDC) publishes a list of information collection requests under review by the Office of Management and Budget (OMB) in compliance with the Paperwork Reduction Act (44 U.S.C. chapter 35). To request a copy of these requests, call the CDC Reports Clearance Officer at (404) 498–1210. Send written comments to CDC, Desk Officer, Human Resources and Housing Branch, New Executive Office Building, Room 10235, Washington, DC 20503. Written comments should be received within 30 days of this notice.

*Proposed Project:* Evaluation of Customer Satisfaction of the Centers for Disease Control and Prevention (CDC) and Agency for Toxic Substances and Disease Registry (ATSDR) Internet Home Page and Links (OMB. No. 0920–0449)—Extension—CDC and ATSDR proposes to continue to conduct consumer satisfaction research around its Internet site in order to determine whether the information, services, and materials on this web site are presented in an appropriate technological format and whether it meets the needs, wants, and preferences of visitors or ''customers'' to the Internet site. The re-authorized survey will be conducted over the next three years, and survey results will be analyzed and interpreted semiannually. Customers on the web site will only be asked to respond once.

Information on the site focuses on disease prevention, health promotion, and epidemiology. The site is designed to serve the general public, persons at risk for disease, injury, and illness, and health professionals. This research will ensure that these audiences have the opportunity to provide ''customer feedback'' regarding the value and effectiveness of the information, services, and products of the CDC and ATSDR web site and whether these materials are easy to access, clear and informative. The annualized estimated burden is 2,166 hours.

| Respondents | Number of respondents | Number of responses/ respondent | Average burden/response (in hours) |
|---|---|---|---|
| Visitors to CDC Internet Site | 13,000 | 1 | 10/60 |

Dated: August 1, 2002.

**Nancy E. Cheal,**

*Acting Associate Director for Policy, Planning and Evaluation, Centers for Disease Control and Prevention.*

[FR Doc. 02–20130 Filed 8–8–02; 8:45 am]

BILLING CODE 4163–18–P

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Disease Control and Prevention

**[Program Announcement 00100]**

### Disease, Disability, and Injury Prevention and Control; Special Emphasis Panel: Community Based Strategies To Increase HIV Testing of Persons at High Risk in Communities of Color

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), the Centers for Disease Control and Prevention (CDC) announces the following meeting:

*Name:* Disease, Disability, and Injury Prevention and Control Special Emphasis Panel (SEP): Community Based Strategies to Increase HIV Testing of Persons At High Risk in Communities of Color, PA# 00100.

*Times and Dates:* 9 a.m.–9:30 a.m., August, 26, 2002 (Open), 9:30 a.m.–4:30 p.m., August 26, 2002 (Closed), 9 a.m.–4:30 p.m., August 27–28, 2002 (Closed).

*Place:* Atlanta Marriott Century Center, 2000 Century Boulevard, NE., Atlanta, GA 30345.

*Status:* Portions of the meeting will be closed to the public in accordance with provisions set forth in section 552b(c) (4) and (6), Title 5 U.S.C., and the Determination of the Director, Management Analysis and Services Office, CDC, pursuant to Public Law 92–463.

*Matters To Be Discussed:* The meeting will include the review, discussion, and evaluation of applications received in response to PA# 00100.

*Contact Person for More Information:* Beth Wolfe, Prevention Support Office, National Center for HIV, STD, and TB Prevention, CDC, 1600 Clifton Road, NE., MS E–07, Atlanta, GA 30333, 404–639–8025.

The Director, Management Analysis and Services Office has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

**Joseph E. Salter,**

*Acting Director, Management Analysis and Services Office, Centers for Disease Control and Prevention (CDC).*

[FR Doc. 02–20296 Filed 8–7–02; 10:52 am]

BILLING CODE 4163–18–P

## DEPARTMENT OF LABOR

### Employment and Training Administration

**[TA–W–38,307 and TA–W–38,307A]**

### Progress Lighting, Cowpens, SC; Progress Lighting, Philadelphia, PA; Amended Certification Regarding Eligibility To Apply for Worker Adjustment Assistance

In accordance with section 223 of the Trade Act of 1974 (19 U.S.C. 2273) the Department of Labor issued a Notice of Certification Regarding Eligibility to Apply for Worker Adjustment Assistance on November 28, 2000, applicable to workers of Progress Lighting, Cowpens, South Carolina. The notice was published in the **Federal Register** on December 21, 2000 (65 FR 80457).

At the request of the International Brotherhood of Electrical Workers, Local 2005, the Department reviewed the certification for workers of the subject firm. The company reports that worker separations occurred at the Philadelphia, Pennsylvania location of Progress Lighting. The Philadelphia, Pennsylvania location is a distribution center for the lighting fixtures produced in Cowpens, South Carolina.

Based on these findings, the Department is amending the certification to include workers of the Philadelphia, Pennsylvania location of Progress Lighting.

The intent of the Department's certification is to include all workers of Progress Lighting who were adversely affected by increased imports.

The amended notice applicable to TA–W–38,307 is hereby issued as follows:

All workers of Progress Lighting, Cowpens, South Carolina (TA–W–38,307) and Progress Lighting, Philadelphia, Pennsylvania (TA–W–38,307A) who became totally or partially separated from employment on or after October 28, 1999 through November 28, 2002, are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974.

Signed at Washington, DC, this 25th day of July, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20192 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

**[Docket No. 02N–0208]**

### Agency Information Collection Activities; Submission for OMB Review; Comment Request; State Enforcement Notifications

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA) is announcing that the proposed collection of information has been submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act of 1995.

**DATES:** Submit written comments on the collection of information by September 9, 2002.

**ADDRESSES:** Submit written comments on the collection of information to the Office of Information and Regulatory Affairs, OMB, New Executive Office Bldg., 725 17th St. NW., rm. 10235, Washington, DC 20503, Attn: Stuart Shapiro, Desk Officer for FDA.

**FOR FURTHER INFORMATION CONTACT:** Peggy Schlosburg, Office of Information Resources Management (HFA–250), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–1223.

**SUPPLEMENTARY INFORMATION:** In compliance with 44 U.S.C. 3507, FDA has submitted the following proposed collection of information to OMB for review and clearance.

**State Enforcement Notifications—21 CFR 100.2(d) (OMB Control Number 0910–0275)—Extension**

Section 310(b) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 337(b)) authorizes States to enforce certain sections of the act in their own names, but provides that States must notify FDA before doing so. Section 100.2(d) (21 CFR 100.2 (d)) sets forth the information that a State must provide to FDA in a letter of notification when it intends to take enforcement action under the act against a particular food located in the State. The information required under § 100.2(d) will enable FDA to identify the food against which the State intends to take action and advise the State whether Federal action has been taken against it. With certain narrow exceptions, Federal enforcement action precludes State action under the act.

FDA estimates the burden of this collection of information as follows:

TABLE 1.—ESTIMATED ANNUAL REPORTING BURDEN[1]

| 21 CFR Section | No. of Respondents | Annual Frequency per Response | Total Annual Responses | Hours per Response | Total Hours |
|---|---|---|---|---|---|
| 1002(d) | 1 | 1 | 1 | 10 | 10 |

[1]There are no capital costs or operating and maintenance costs associated with this collection of information.

The reporting burden for § 100.2(d) is insignificant because enforcement notifications are seldom used by States. During the last 3 years, FDA has not received any enforcement notifications. Since the enactment of section 403A(b) of the act (21 U.S.C. 343–1(b)) as part of the Nutrition Labeling and Education Act of 1990, FDA has received only a few enforcement notifications. Although FDA believes that the burden will be insignificant, it believes these information collection provisions should be extended to provide for the potential future need of a State government to submit enforcement notifications informing FDA when it intends to take enforcement action under the act against a particular food located in the State.

Dated: August 2, 2002.

**Margaret M. Dotzel,**

*Associate Commissioner for Policy.*

[FR Doc. 02–20121 Filed 8–8–02; 8:45 am]

BILLING CODE 4160–01–S

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

**[Docket No. 02N–0104]**

### Agency Information Collection Activities; Submission for OMB Review; Comment Request; Consumer Handling of Ready-to-Eat Foods

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA) is announcing that the proposed collection of information has been submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act of 1995.

**DATES:** Submit written comments on the collection of information by September 9, 2002.

**ADDRESSES:** Submit written comments on the collection of information to the Office of Information and Regulatory Affairs, OMB, New Executive Office Bldg., 725 17th St. NW., rm. 10235, Washington, DC 20503, Attn: Stuart Shapiro, Desk Officer for FDA.

**FOR FURTHER INFORMATION CONTACT:** Peggy Schlosburg, Office of Information Resources Management (HFA–250), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–827–1223.

**SUPPLEMENTARY INFORMATION:** In compliance with 44 U.S.C. 3507, FDA has submitted the following proposed collection of information to OMB for review and clearance.

### Consumer Handling of Ready-to-Eat Foods

Section 402 of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 342) authorizes FDA to regulate foods so that they are not adulterated. FDA's research in food safety seeks to reduce the incidence of foodborne illness by improving the ability to find new ways to detect, enumerate, and control pathogens in the food supply. FDA's Center for Food Safety and Applied Nutrition awarded two grants of research funds in September 2001 to support research into consumer refrigeration practices and shelf life for ready-to-eat (RTE) foods entitled ''Consumer Storage Length Practices for Ready-to-Eat Foods'' and ''Consumer Handling of Ready-to-Eat Foods After Purchase.''

The information that will be collected concerns consumer handling of RTE food products. The research will provide data on the storage of RTE foods in unopened and opened packages in home refrigerators; consumer understanding of expiration dates; and consumer use of this information in making decisions regarding purchases, consumption, and home storage conditions. The data from these surveys will be used to refine the Department of Health and Human Services and U.S. Department of Agriculture *Listeria monocytogenes* (LM) risk assessment, issued in draft for public comment on January 19, 2001 (66 FR 5515). The values used for home storage of foods in the draft LM risk assessment were largely based on expert opinion, not statistically supportable data. Thus, the consumer storage data from these two grants will improve FDA's confidence in the predicted risks by reducing the uncertainty in consumer practices.

For the ''Consumer Storage Length Practices for Ready-to-Eat Foods,'' approximately 2,400 respondents will be selected from an already existing nationally representative Web-enabled panel. For ''Consumer Handling of Ready-to-Eat Foods After Purchase,'' a more traditional survey approach will be used and will be conducted in three parts. In part 1, approximately 400 in-person interviews will be conducted in Tennessee, Illinois, Kansas, Missouri, Florida, and New York. Participants will be selected to represent both sexes, different income groups, and education levels, and a wide range of adults from different ethnic groups. In part 2, 100 respondents from part 1 will complete food diaries of specific foods from the day the food dairy is initiated until those foods are consumed or discarded. In part 3, two mass mailings of questionnaires will be conducted one in fall-winter and the second in spring-summer for a total of 2,000 respondents.

FDA estimates the burden of this collection of information as follows:

TABLE 1.—ESTIMATED ANNUAL REPORTING BURDEN[1]

| | No. of Respondents | Annual Frequency per Response | Total Annual Responses | Hours per Response | Total Hours |
|---|---|---|---|---|---|
| Web-enabled panel survey | 2,400 | 1 | 2,400 | 0.25 | 600 |
| Interview survey | 400 | 1 | 400 | 0.5 | 200 |
| Food diary | 100 | 1 | 100 | 0.5 | 50 |
| Mail survey | 2,000 | 1 | 2,000 | 0.3 | 600 |

TABLE 1.—ESTIMATED ANNUAL REPORTING BURDEN[1]—Continued

| | No. of Respondents | Annual Frequency per Response | Total Annual Responses | Hours per Response | Total Hours |
|---|---|---|---|---|---|
| Total | | | | | 1,450 |

[1]There are no capital costs or operating and maintenance costs associated with this collection of information.

The number of respondents given in table 1 of this document is based on the study design in the two grant applications. The hours per response was estimated based on experience of the grantees for similar surveys and also on the number of questions to be included in each survey instrument.

Dated: August 2, 2002.

**Margaret M. Dotzel,**

*Associate Commissioner for Policy.*

[FR Doc. 02–20122 Filed 8–8–02; 8:45 am]

BILLING CODE 4160–01–S

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

### Nonclinical Studies Subcommittee of the Advisory Committee for Pharmaceutical Science; Notice of Meeting

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). The meeting will be open to the public.

*Name of Committee*: Nonclinical Studies Subcommittee of the Advisory Committee for Pharmaceutical Science.

*General Function of the Committee*: To provide advice and recommendations to the agency on FDA's regulatory issues.

*Date and Time*: The meeting will be held on September 9, 2002, from 1 p.m. to 4:30 p.m. and September 10, 2002, from 8 a.m. to 12 noon.

*Location*: Center for Drug Evaluation and Research, Advisory Committee conference room 1066, 5630 Fishers Lane, Rockville, MD.

*Contact Person*: Kathleen Reedy, Center for Drug Evaluation and Research (HFD–21), Food and Drug Administration, 5600 Fishers Lane (for express delivery, 5630 Fishers Lane, rm. 1093), Rockville, MD 20857, 301–827–7001, e-mail: *reedyk@cder.fda.gov*, or FDA Advisory Committee Information Line, 1–800–741–8138 (301–443–0572 in the Washington, DC area), code 12539. Please call the Information Line for up-to-date information on this meeting.

*Agenda*: On September 9, 2002, the Chair of the expert working group on cardiotoxicity will report on the progress and activities of the group and the subcommittee will be allotted time to discuss the report. The subcommittee will then discuss a plan to transfer oversight of the subcommittee from the Advisory Committee for Pharmaceutical Science to the Science Advisory Board of the National Center for Toxicological Research. On September 10, 2002, the Chair of the expert working group on vascular damage will report on the progress and activities of the group and the subcommittee members will be allotted time to discuss the report.

*Procedure*: Interested persons may present data, information, or views, orally or in writing, on issues pending before the subcommittee. Written submissions may be made to the contact person by August 23, 2002. Oral presentations from the public will be scheduled between approximately 10 a.m. and 11 a.m. on September 10, 2002. Time allotted for each presentation may be limited. Those desiring to make formal oral presentations should notify the contact person before August 23, 2002, and submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make their presentation.

Persons attending FDA's advisory committee meetings are advised that the agency is not responsible for providing access to electrical outlets.

FDA welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact Carolyn Jones, 301–827–7001, at least 7 days in advance of the meeting.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: August 2, 2002.

**Linda Arey Skladany,**

*Senior Associate Commissioner for External Relations.*

[FR Doc. 02–20162 Filed 8–8–02; 8:45 am]

BILLING CODE 4160–01–S

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–4737–N–06]**

### Notice of Proposed Information Collection for Public Comment: Infrastructure Study

**AGENCY:** Office of Policy Development and Research, HUD.

**ACTION:** Notice.

**SUMMARY:** The proposed information collection requirement concerning a project to obtain information on the infrastructure needs of tribally designated housing entities and tribal housing agencies will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.

**DATES:** *Comments Due Date:* October 8, 2002.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB number and should be sent to: Reports Liaison Officer, Office of Policy Development and Research, Department of Housing and Urban Development, 451 7th Street, SE, 8228, Washington, DC 20410.

**FOR FURTHER INFORMATION CONTACT:** Ndeye Jackson, telephone number (202) 708–5537 X5737; *Ndeye J. Jackson@HUD.gov.* Copies of the proposed forms and other available documents may be obtained from Ndeye Jackson.

**SUPPLEMENTARY INFORMATION:** The Department will submit the proposed information collection to OMB for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended).

This Notice is soliciting comments from members of the public and affected agencies concerning the proposed

collection information to: (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information (3) enhance the quality, utility, and clarity of information to be collected; and (4) minimize the burden of the collection of information on those who are to respond; including through use of appropriate automated collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

This Notice also lists the following information:

*Title of Proposal:* Survey of Infrastructure Needs of tribes and tribally designated housing entities, or equivalent Indian housing program.

*Description of the need for the information and proposed use:* The primary purpose of the proposed data collection is to develop a questionnaire for HUD that can be used with a national sample of tribes and tribally designated housing entities, or an equivalent Indian housing agency, to determine the current status, trends and barriers to infrastructure development in tribal areas. The questionnaire will be circulated via mail, e-mail or attached to the National American Indian Housing Council's Web site address: *''http://NAIHC.Indian.com''*

*Members of affected public:* Tribes and tribally designated housing entities, or equivalent Indian housing agencies.

*Estimation of the total numbers of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response:*

| Task | Number of respondents | Frequency of respondents | Hours per response | Burden hours |
|---|---|---|---|---|
| Questionnaire | 1,000 | once | 1.00 | 1,000 |

*Total Estimated Annual Burden Hours:* 1,000.

*Status of the proposed information collection:* Pending OMB approval.

**Authority:** The Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35, as amended.

Dated: August 2, 2002.

**Harold L. Bunce,**

*Deputy Assistant Secretary for Economic Affairs.*

[FR Doc. 02–20241 Filed 8–8–02; 8:45 am]

**BILLING CODE 4210–62–M**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–4734–N–31]**

## Notice of Submission of Proposed Information Collection to OMB: Community Development Work Study Program

**AGENCY:** Office of the Chief Information Officer, HUD.

**ACTION:** Notice.

**SUMMARY:** The proposed information collection requirement described below has been submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.

**DATES:** *Comments Due Date:* September 9, 2002.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB approval number (2528–0175) and should be sent to: Lauren Wittenberg, OMB Desk Officer, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503; Fax number (202) 395–6974; E-mail *Lauren_Wittenberg@omb.eop.gov.*

**FOR FURTHER INFORMATION CONTACT:** Wayne Eddins, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 Seventh Street, Southwest, Washington, DC 20410; e-mail *Wayne_Eddins@HUD.gov;* telephone (202) 708–2374. This is not a toll-free number. Copies of the proposed forms and other available documents submitted to OMB may be obtained from Mr. Eddins.

**SUPPLEMENTARY INFORMATION:** The Department has submitted the proposal for the collection of information, as described below, to OMB for review, as required by the Paperwork Reduction Act (44 U.S.C. Chapter 35). The Notice lists the following information: (1) The title of the information collection proposal; (2) the office of the agency to collect the information; (3) the OMB approval number, if applicable; (4) the description of the need for the information and its proposed use; (5) the agency form number, if applicable; (6) what members of the public will be affected by the proposal; (7) how frequently information submissions will be required; (8) an estimate of the total number of hours needed to prepare the information submission including number of respondents, frequency of response, and hours of response; (9) whether the proposal is new, an extension, reinstatement, or revision of an information collection requirement; and (10) the name and telephone number of an agency official familiar with the proposal and of the OMB Desk Officer for the Department.

### This Notice Also Lists the Following Information

*Title of Proposal:* Community Development Work Study Program.

*OMB Approval Number:* 2528–0175.

*Form Numbers:* HUD–424, HUD–424–B, HUD–2880, HUD–2993, HUD–2994, HUD–3007, HUD–30013, HUD–30014, HUD–30015.

*Description of the Need for the Information and its Proposed Use:* Community Development Work Study Program application for grantee selection and reports monitoring the administration of funds granted to colleges and universities. The grants help economically disadvantaged and minority students earn masters degrees in community building fields.

*Respondents:* Individuals or households, Not-for-profit institutions.

*Frequency of Submission:* On occasion.

| | Number of respondents | Annual responses | × | Hours per response | = | Burden hours |
|---|---|---|---|---|---|---|
| Reporting Burden | 60 | 3 | | 17.5 | | 3,.150 |

*Total Estimated Burden Hours:* 3,150.
*Status:* Reinstatement, with change.

**Authority:** Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. 35, as amended.

Dated: August 2, 2002.

**Wayne Eddins,**

*Departmental Reports Management Officer, Office of the Chief Information Officer.*

[FR Doc. 02–20124 Filed 8–8–02; 8:45 am]

**BILLING CODE 4210–72–M**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–4730–N–32]**

## Federal Property Suitable as Facilities to Assist the Homeless

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice.

**SUMMARY:** This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for possible use to assist the homeless.

**FOR FURTHER INFORMATION CONTACT:** Mark Johnston, room 7266, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410; telephone (202) 708–1234; TTY number for the hearing- and speech-impaired (202) 708–2565 (these telephone numbers are not toll-free), or call the toll-free Title V information line at 1–800–927–7588.

**SUPPLEMENTARY INFORMATION:** In accordance with 24 CFR part 581 and section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411), as amended, HUD is publishing this Notice to identify Federal buildings and other real property that HUD has reviewed for suitability for use to assist the homeless. The properties were reviewed using information provided to HUD by Federal landholding agencies regarding unutilized and underutilized buildings and real property controlled by such agencies or by GSA regarding its inventory of excess or surplus Federal property. This Notice is also published in order to comply with the December 12, 1988 Court Order in *National Coalition for the Homeless* v. *Veterans Administration,* No. 88–2503–OG (D.D.C.).

Properties reviewed are listed in this Notice according to the following categories: Suitable/available, suitable/unavailable, suitable/to be excess, and unsuitable. The properties listed in the three suitable categories have been reviewed by the landholding agencies, and each agency has transmitted to HUD: (1) Its intention to make the property available for use to assist the homeless, (2) its intention to declare the property excess to the agency's needs, or (3) a statement of the reasons that the property cannot be declared excess or made available for use as facilities to assist the homeless.

Properties listed as suitable/available will be available exclusively for homeless use for a period of 60 days from the date of this Notice. Where property is described as for ''off-site use only'' recipients of the property will be required to relocate the building to their own site at their own expense. Homeless assistance providers interested in any such property should send a written expression of interest to HHS, addressed to Brian Rooney, Division of Property Management, Program Support Center, HHS, room 5B–41, 5600 Fishers Lane, Rockville, MD 20857; (301) 443–2265. (This is not a toll-free number.) HHS will mail to the interested provider an application packet, which will include instructions for completing the application. In order to maximize the opportunity to utilize a suitable property, providers should submit their written expressions of interest as soon as possible. For complete details concerning the processing of applications, the reader is encouraged to refer to the interim rule governing this program, 24 CFR part 581.

For properties listed as suitable/to be excess, that property may, if subsequently accepted as excess by GSA, be made available for use by the homeless in accordance with applicable law, subject to screening for other Federal use. At the appropriate time, HUD will publish the property in a Notice showing it as either suitable/available or suitable/unavailable.

For properties listed as suitable/unavailable, the landholding agency has decided that the property cannot be declared excess or made available for use to assist the homeless, and the property will not be available.

Properties listed as unsuitable will not be made available for any other purpose for 20 days from the date of this Notice. Homeless assistance providers interested in a review by HUD of the determination of unsuitability should call the toll free information line at 1–800–927–7588 for detailed instructions or write a letter to Mark Johnson at the address listed at the beginning of this Notice. Included in the request for review should be the property address (including zip code), the date of publication in the **Federal Register**, the landholding agency, and the property number.

For more information regarding particular properties identified in this Notice (*i.e.,* acreage, floor plan, existing sanitary facilities, exact street address), providers should contact the appropriate landholding agencies at the following addresses: ARMY: Ms. Julie Jones-Conte, Headquarters, Department of the Army, Office of the Assistant Chief of Staff for Installation Management, Attn: DAIM–MD, Room 1E677, 600 Army Pentagon, Washington, DC 20310–0600; (703) 692–9223; DOT: Mr. Rugene Spruill, Principal, Space Management, SVC–140, Transportation Administrative Service Center, Department of Transportation, 400 7th Street, SW., Room 2310, Washington, DC 20590; (202) 366–4246; ENERGY: Mr. Tom Knox, Department of Energy, Office of Engineering & Construction Management, CR–80, Washington, DC 20585; (202) 586–8715; GSA: Mr. Brian K. Polly, Assistant Commissioner, General Services Administration, Office of Property Disposal, 18th and F Streets, NW., Washington, DC 20405; (202) 501–0052; INTERIOR: Ms. Linda Tribby, Acquisition & Property Management, Department of the Interior, 1849 C Street, NW., MS5512, Washington, DC 20240; (202) 219–0728; NAVY: Mr. Charles C. Cocks, Director, Department of the Navy, Real Estate Policy Division, Naval Facilities Engineering Command, Washington Navy Yard, 1322 Patterson Ave., SE., Suite 1000, Washington, DC 20374–5065; (202) 685–9200; (These are not toll-free numbers).

Dated: August 2, 2002.

**John D. Garrity,**

*Director, Office of Special Needs Assistance Programs.*

**TITLE V, FEDERAL SURPLUS PROPERTY PROGRAM FEDERAL REGISTER REPORT FOR 8/9/02**

**Suitable/Available Properties**

*Buildings (by State)*

California

Dwelling/Garage
213 Danhauser St.
Alturas Co: CA 96101–
Landholding Agency: GSA
Property Number: 54200230003
Status: Excess
Comment: garage = 480 sq. ft., residence gutted by fire
GSA Number: 9–A–CA–1574

Bldgs. 203–206
Pinnacles Natl Monument
5000 Hwy 146
Paicines Co: San Benito CA 95043–
Landholding Agency: Interior
Property Number: 61200230018
Status: Excess

Comment: four mobile homes, poor condition, singlewide and doublewide, off-site use only

Playgrounds
Marine Corps Logistics Base
Desert View
Barstow Co: San Bernardino CA 92311–
Landholding Agency: Navy
Property Number: 77200230018
Status: Underutilized
Comment: 2 playgrounds with personnel shelter, off-site use only.

Garages
Marine Corps Logistics Base
Desert View
Barstow Co: San Bernardino CA 92311–
Landholding Agency: Navy
Property Number: 77200230019
Status: Underutilized
Comment: sq. ft. varies, needs rehab, possible asbestos/lead paint, off-site use only

76 Structures
Marine Corps Logistics Base
Desert View
Barstow Co: San Bernardino CA 92311–
Landholding Agency: Navy
Property Number: 77200230020
Status: Underutilized
Comment: sq. ft. varies, needs rehab, possible asbestos/lead paint, most recent use—housing, off-site use only

Colorado

Bldg. 16
Colorado Natl Monument
2252 Monument Road
Grand Junction Co: Mesa CO 81503–
Landholding Agency: Interior
Property Number: 61200230019
Status: Underutilized
Comment: 1390 sq. ft. residence, some contamination, off-site use only

Bldg. 17
Colorado Natl Monument
2250 Monument Road
Grand Junction Co: Mesa CO 81503–
Landholding Agency: Interior
Property Number: 61200230020
Status: Underutilized
Comment: 1390 sq. ft. residence, some contamination, off-site use only

Florida

Tract 104–13
Canaveral Natl Seashore
New Smyrna Beach Co: Volusia FL 32169–
Landholding Agency: Interior
Property Number: 61200230005
Status: Excess
Comment: 1422 sq. ft., most recent use—residential, off-site use only

Tract 104–17
Canaveral Natl Seashore
New Smyrna Beach Co: Volusia FL 32169–
Landholding Agency: Interior
Property Number: 61200230006
Status: Excess
Comment: 1322 sq. ft., most recent use—residential, off-site use only

Tract 104–18
Canaveral Natl Seashore
New Smyrna Beach Co: Volusia FL 32169–
Landholding Agency: Interior
Property Number: 61200230007
Status: Excess
Comment: 1260 sq. ft., most recent use—residential, off-site use only

Tract 104–23
Canaveral Natl Seashore
New Smyrna Beach Co: Volusia FL 32169–
Landholding Agency: Interior
Property Number: 61200230008
Status: Excess
Comment: 2316 sq. ft., most recent use—residential, off-site use only

Tract 105–34
Canaveral Natl Seashore
New Smyrna Beach Co: Volusia FL 32169–
Landholding Agency: Interior
Property Number: 61200230009
Status: Excess
Comment: 1260 sq. ft., needs major rehab, most recent use—residential, off-site use only

Maryland

Former Smith Property
Appalachian Natl Scenic Trail
Boonsboro Co: Washington MD 21712–
Landholding Agency: Interior
Property Number: 61200230011
Status: Unutilized
Comment: 1822 sq. ft., most recent use—residential, off-site use only

Massachusetts

Former Health Property
Appalachian Natl Scenic Trail
Tyringhm Co: Berkshire MA 01238–
Landholding Agency: Interior
Property Number: 61200230010
Status: Unutilized
Comment: 1092 sq. ft., most recent use—residential, off-site use only

New Jersey

Former Thompson Property
Appalachian Natl Scenic Trail
Unionville Co: Sussex NJ 07461–
Landholding Agency: Interior
Property Number: 61200230012
Status: Unutilized
Comment: 1144 sq. ft., most recent use—residential, off-site use only

Pennsylvania

Former SSA Bldg.
521 8th Street
Ambridge Co: Beaver PA
Landholding Agency: GSA
Property Number: 54200230004
Status: Excess
Comment: 3935 sq. ft., most recent use—social security office GSA Number: 4–G–PA–0794

Former Zeigler Property
Appalachian Natl Scenic Trail
S. Middleton Co: Cumberland PA 17324–
Landholding Agency: Interior
Property Number: 61200230013
Status: Unutilized
Comment: 1036 sq. ft., most recent use—residential, off-site use only

Texas

Tract 104–43
San Antonio Missions NHP
San Antonio Co: Bexar TX 78223–
Landholding Agency: Interior
Property Number: 61200230014
Status: Unutilized
Comment: 799 sq. ft., most recent use—residential, off-site use only

Tract 104–45
San Antonio Missions NHP
San Antonio Co: Bexar TX 78233–
Landholding Agency: Interior
Property Number: 61200230015
Status: Unutilized
Comment: 999 sq. ft., most recent use—residential, off-site use only

Virginia

Former Funk Property
Appalachian Natl Scenic Trail
Rural Retreat Co: Smyth VA 24368–
Landholding Agency: Interior
Property Number: 61200230016
Status: Unutilized
Comment: 980 sq. ft., mobile home, off-site use only

Former Klene Property
Appalachian Natl Scenic Trail
Paris Co: Clarke VA 20130–
Landholding Agency: Interior
Property Number: 61200230017
Status: Unutilized
Comment: 313 sq. ft., cabin, off-site use only

**Suitable/Unavailable Properties**

Missouri

Bldg. 3
St. Louis AAP
St. Louis Co: MO
Landholding Agency: Army
Property Number: 21200230070
Status: Unutilized
Comment: 2 floors w/basement, contamination, most recent use—storage

Arizona

Patrol Station
S. of US Hwy 85
Gila Bend Co: AZ
Landholding Agency: GSA
Property Number: 54200230006
Status: Excess
Reason: Within airport runway clear zone
GSA Number: 9–J–AZ–821

California

Bldg. 660
Naval Air Weapons Station
China Lake Co: CA 93555–6100
Landholding Agency: Navy
Property Number: 77200230021
Status: Excess
Reason: Extensive deterioration

Bldg. 661
Naval Air Weapons Station
China Lake Co: CA 93555–6100
Landholding Agency: Navy
Property Number: 77200230022
Status: Excess
Reason: Extensive deterioration

Bldg. 1291
Naval Air Weapons Station
China Lake Co: CA 93555–6100
Landholding Agency: Navy
Property Number: 77200230023
Status: Excess
Reason: Extensive deterioration

Bldg. 16026
Naval Air Weapons Station
China Lake Co: CA 93555–6100
Landholding Agency: Navy

Property Number: 77200230031
Status: Excess
Reason: Secured Area

Florida

Bldg. 13
NAS Jacksonville
Pinescastle Bombing Range
Salt Springs Co: Volusia FL
Landholding Agency: Navy
Property Number: 77200230024
Status: Unutilized
Reasons: Secured Area, Extensive deterioration

Bldg. 45
NAS Jacksonville
Pinescastle Bombing Range
Salt Springs Co: Volusia FL
Landholding Agency: Navy
Property Number: 77200230025
Status: Unutilized
Reasons: Secured Area, Extensive deterioration

Bldg. 67
NAS Jacksonville
Pinecastle Bombing Range
Salt Springs Co: Volusia FL
Landholding Agency: Navy
Property Number: 77200230026
Status: Unutilized
Reasons: Secured Area, Extensive deterioration

Bldg. 73
NAS Jacksonville
Pinecastle Bombing Range
Salt Springs Co: FL
Landholding Agency: Navy
Property Number: 77200230027
Status: Unutilized
Reasons: Secured Area, Extensive deterioration

Bldg. 75
NAS Jacksonville
Pinecastle Bombing Range
Salt Springs Co: Volusia FL
Landholding Agency: Navy
Property Number: 77200230028
Status: Unutilized
Reasons: Secured Area, Extensive deterioration

Bldg. 76
NAS Jacksonville
Pinecastle Bombing Range
Salt Springs Co: Volusia FL
Landholding Agency: Navy
Property Number: 77200230029
Status: Unutilized
Reasons: Secured Area, Extensive deterioration

Illinois

Bldg. 625
Fermi Natl Accelerator Lab
Batavia Co: DuPage IL 60510–
Landholding Agency: Energy
Property Number: 41200230004
Status: Excess
Reasons: Extensive deterioration

Kentucky

Dwelling
USCG Shoreside Detachment
Owenshoro Co: Daviess KY
Landholding Agency: DOT
Property Number: 97200230010
Status: Unutilized
Reason: Extensive deterioration

New Jersey

Former Auerbach Property
Appalachian Natl Scenic Trail
Glenwood Co: Sussex NJ 07701–
Landholding Agency: Interior
Property Number: 61200230001
Status: Unutilized
Reason: Extensive deterioration

New York

Bldgs. 0089, 0090
Brookhaven Natl Lab
Upton Co: Suffolk NY 11973–
Landholding Agency: Energy
Property Number: 41200230005
Status: Excess
Reason: Extensive deterioration

Former Guardia Property
Appalachian Natl Scenic Trail
E. Fishkill Co: Dutchess NY 11370–
Landholding Agency: Interior
Property Number: 61200230002
Status: Unutilized
Reason: Extensive deterioration

Pennsylvania

Former Sunday Property
Appalachian Natl Scenic Trail
Boiling Springs Co: Cumberland PA 17007–
Landholding Agency: Interior
Property Number: 61200230003
Status: Unutilized
Reason: Extensive deterioration

Tennessee

Tract 01–186
Stones River Natl Battlefield
Murfreesboro Co: Rutherford TN 37129–
Landholding Agency: Interior
Property Number: 61200230004
Status: Excess
Reason: Extensive deterioration

Virginia

6 Bldgs.
Marine Corps Base
Quantico Co: VA
Location: #2902, 2906, 2923, 2928, 2930, 2950
Landholding Agency: Navy
Property Number: 77200230030
Status: Excess
Reason: Extensive deterioration

Washington

Goat Island Quarry
Skagit Co: WA
Landholding Agency: GSA
Property Number: 54200230005
Status: Excess
Reason: not accessible
GSA number: 9–D–WA–1201

Bldg. 899
Puget Sound Naval Shipyard
Bremerton Co: WA 98314–5000
Landholding Agency: Navy
Property Number: 77200230032
Status: Unutilized
Reasons: Within 2000 ft. of flammable or explosive material, Secured Area

[FR Doc. 02–20023 Filed 8–8–02; 8:45 am]

BILLING CODE 4210–29–M

## DEPARTMENT OF THE INTERIOR

## Fish and Wildlife Service

## Availability of Draft Comprehensive Conservation Plans (CCP) and Environmental Assessments for the Minnesota Wetland Management Districts (WMD) in Western Minnesota, Including: Big Stone WMD (Odessa, MN); Detroit Lakes WMD (Detroit Lakes, MN), Fergus Falls WMD (Fergus Falls, MN); Litchfield WMD (Litchfield, MN); Morris WMD (Morris, MN); and Windom WMD (Windom, MN)

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Notice of availability.

**SUMMARY:** Pursuant to the Refuge Improvement Act of 1997, the U.S. Fish and Wildlife Service (Service) has published a draft Comprehensive Conservation Plan and Environmental Assessment for six wetland management districts in western Minnesota. These Plans describe how the Service intends to manage the Districts for the next 15 years.

**DATES:** Submit written comments by September 13, 2002. Comments should be addressed to the relevant Wetland Management District: Big Stone WMD: U.S. Fish and Wildlife Service, Big Stone National Wildlife Refuge, Attn: CCP Comment, Rural Route 1, Box 25, Odessa, MN, 62959. Detroit Lakes WMD: U.S. Fish and Wildlife Service, Detroit Lakes WMD, Attn: CCP Comment, Route 3, Box 47D, Tower Road, Detroit Lakes, MN 56501. Fergus Falls WMD: U.S. Fish and Wildlife Service, Fergus Falls WMD, Attn: CCP Comment, Route 1, Box 76, Fergus Falls, MN 56537. Litchfield WMD: U.S. Fish and Wildlife Service, Litchfield WMD, Attn: CCP Comment, 22274—615 Avenue, Litchfield, MN 55355. Morris WMD: U.S. Fish and Wildlife Service, Morris WMD, Attn: CCP Comment, 43875—230th Street, Morris, MN 56237. Windom, WMD: U.S. Fish and Wildlife Service, Windom WMD, Attn: CCP Comment, 49663 County Road 17, Windom, MN 56101.

Comments may also be submitted through the Service's regional Web site at *http://midwest.fws,gov/planning.*

**ADDRESSES:** A draft Plan or summary may be obtained by writing to the Refuge or WMD at the previously listed addresses or submitting a request electronically. These documents will also be made available in portable document format (pdf) on the U.S. Fish and Wildlife Service website at *http://midwest.fws,gov/planning/minnwetlanddistrictstop.htm.*

**FOR FURTHER INFORMATION CONTACT:** For additional information on the Draft Comprehensive Conservation Plans and Environmental Assessments, contact the District Managers; Big Stone WMD, Rich Papasso, 320/273–2191; Detroit Lakes WMD, Mark Chase, 218/847–4431; Fergus Falls WMD, Kevin Brennan, 218/729–2291; Litchfield WMD, Christenson, 320/693–2849; Morris WMD, Steven Delehanty, 320/589–1001; Windom WMD, Steven Kallin, 507/831–2220.

**SUPPLEMENTARY INFORMATION:** In 1997, Congress mandated that the Service prepare a comprehensive conservation plan for each refuge within the National Wildlife Refuge System. This mandate includes Wetland Management Districts, which are federal administrative units charged with acquiring, overseeing and managing Waterfowl Production Areas and easements within a specific group of counties. Comprehensive conservation plans guide management decisions over the course of 15 years. The Draft Comprehensive Conservation Plans for each of the six Minnesota Wetland Management Districts identify goals and objectives for habitat management, land protection and wildlife-dependent recreation, as well as strategies for achieving those goals and objectives.

Dated: June 18, 2002.

**Marvin Moriarty,**

*Acting Regional Director.*

[FR Doc. 02–20131 Filed 8–8–02; 8:45 am]

BILLING CODE 4310–55–M

## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

### Land Acquisitions; Nottawaseppi Huron Band of Potawatomi Indians of Michigan

**AGENCY:** Bureau of Indian Affairs, Interior.

**ACTION:** Notice of final agency determination to take land into trust under 25 CFR part 151.

**SUMMARY:** The Assistant Secretary—Indian Affairs made a final agency determination to acquire approximately 78.26 acres, more or less, of land into trust for the Nottawaseppi Huron Band of Potawatomi Indians of Michigan on July 31, 2002. This notice is published in the exercise of authority delegated by the Secretary of the Interior to the Assistant Secretary—Indian Affairs by 209 Departmental Manual 8.1.

**FOR FURTHER INFORMATION CONTACT:** Nancy J. Pierskalla, Office of Indian Gaming Management, Bureau of Indian Affairs, MS–2070 MIB, 1849 C Street, NW., Washington, DC 20240; Telephone (202) 219–4066.

**SUPPLEMENTARY INFORMATION:** This notice is published to comply with the requirement of 25 CFR 151.12(b) that notice be given to the public of the Secretary's decision to acquire land in trust at least 30 days prior to signatory acceptance of the land into trust. The purpose of the 30-day waiting period in 25 CFR 151.12(b) is to afford interested parties the opportunity to seek judicial review of final administrative decisions to take land in trust for Indian tribes and individual Indians before transfer of title to the property occurs. On July 31, 2002, the Assistant Secretary—Indian Affairs decided to accept approximately 78.26 acres, more or less, of land known as the Sackrider property into trust for the Nottawaseppi Huron Band of Potawatomi Indians of Michigan under the authority of Section 5 of the Indian Reorganization Act of 1934, 25 U.S.C. 465. The United States acknowledged the Nottawaseppi Huron Band through the federal acknowledgment process (25 CFR 83), and the notice of final determination acknowledging the Band was published in the **Federal Register** on December 21, 1995 (60 FR 66315). The Final Determination for Federal Acknowledgment for the Band was effective on March 21, 1996. The Band had no trust land at the time of acknowledgment. By memorandum dated December 13, 2000, the Associate Solicitor—Indian Affairs concluded that the land is within the geographical region anticipated as part of the Band's land base and may be included as part of the Band's initial reservation. Further, if the Sackrider property were included in the initial proclamation of reservation, it would meet the requirements of the ''initial reservation'' exception of IGRA, 25 U.S.C. 2719(b)(1)(B)(ii), excepting it from the general prohibition on gaming on trust land acquired after October 17, 1988, contained in 25 U.S.C. 2719(a).

The Sackrider Property's legal description is as follows:

Commencing at the West ¼ Post of Section 13, Town 2 South, Range 7 West, Emmett Township, Calhoun County, Michigan; thence North 00 Degrees 03′ 28″ East along the West line of said section, 46.99 feet to the Southerly Line of the exit ramp for I–94, as recorded in Liber 898, page 004 in the Office of the Register of Deeds for Calhoun County, Michigan; thence North 89 Degrees 06′ 09″ East along said Southerly Line, 214.69 feet; thence 362.37 feet along the arc of a curve to the left whose radius measures 362.0 feet and whose chord bears North 60 Degrees 25′ 31″ East, 347.43 feet; thence North 31 Degrees 44′ 56″ East, 263.62 feet; thence North 59 Degrees 52′ 54″ East, 81.39 feet to the place of beginning; thence continuing North 59 Degrees 52′ 54″ East, 181.87 feet; thence South 78 Degrees 01′ 12″ East, 472.30 feet; thence South 76 Degrees 27′ 00″ East, 1357.31 feet; thence South 00 Degrees 04′ 24″ West, 205.69 feet; to the Northwest corner of Lot 21 of the supervisor's plat of Wagner Acres, as recorded in Liber 11 of plats on page 21 in the Office of the Register of Deeds for Calhoun County, Michigan; thence South 00 Degrees 04′ 24″ West along the West line of said plat, 1992.58 feet to the centerline of Michigan Ave.; thence North 55 Degrees 29′ 21″ West along said centerline, 2350.98 feet; thence North 00 Degrees 03′ 28″ East, 1191.07 feet to the place of beginning.

It consists of 78.26 acres of land, located in Emmett Township, Calhoun County, Michigan.

The Secretary will take the land into trust subject to completion and certification of an updated contaminant survey, and satisfaction of all title requirements.

Dated: August 6, 2002.

**Neal A. McCaleb,**

*Assistant Secretary—Indian Affairs.*

[FR Doc. 02–20303 Filed 8–8–02; 8:45 am]

BILLING CODE 4310–4N–P

## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

### Indian Gaming

**AGENCY:** Bureau of Indian Affairs, Interior.

**ACTION:** Notice of amendment to approved Tribal-State Compact.

**SUMMARY:** Under section 11 of the Indian Gaming Regulatory Act of 1988 (IGRA), Public Law 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish, in the **Federal Register**, notice of the approved Tribal-State compacts for the purpose of engaging in Class III gaming activities on Indian lands. The Assistant Secretary—Indian Affairs, Department of the Interior, through his delegated authority, has approved the Extension agreement to the Class III gaming compact between the Assiniboine and Sioux Tribes of the Fort Peck Reservation and the State of Montana.

**DATES:** This action is effective August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** George T. Skibine, Director, Office of

Indian Gaming Management, Bureau of Indian Affairs, Washington, DC 20240, (202) 219–4066.

Dated: July 30, 2002.

**Neal A. McCaleb,**

*Assistant Secretary—Indian Affairs.*

[FR Doc. 02–20143 Filed 8–8–02; 8:45 am]

BILLING CODE 4310–4N–M

## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

### Indian Gaming

**AGENCY:** Bureau of Indian Affairs, Interior.

**ACTION:** Notice of amendment to approved Tribal-State Compact.

**SUMMARY:** Under section 11 of the Indian Gaming Regulatory Act of 1988 (IGRA), Public Law 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish, in the **Federal Register**, notice of the approved Tribal-State compacts for the purpose of engaging in Class III gaming activities on Indian lands. The Assistant Secretary—Indian Affairs, Department of the Interior, through his delegated authority, has approved the Amendment to the Tribal-State Compact for Class III Gaming between the Tulalip Tribes of Washington and the State of Washington, which was executed on June 7, 2002.

**DATES:** This action is effective August 9, 2002.

**FOR FURTHER INFORMATION CONTACT:** George T. Skibine, Director, Office of Indian Gaming Management, Bureau of Indian Affairs, Washington, DC 20240, (202) 219–4066.

Dated: July 30, 2002.

**Neal A. McCaleb,**

*Assistant Secretary—Indian Affairs.*

[FR Doc. 02–20142 Filed 8–8–02; 8:45 am]

BILLING CODE 4310–4N–M

## DEPARTMENT OF THE INTERIOR

### Bureau of Land Management

**[CA–160–1220–PG]**

### Notice of Public Meeting, Central California Resource Advisory Council

**AGENCY:** Bureau of Land Management, Interior.

**ACTION:** Notice of public meeting.

**SUMMARY:** In accordance with the Federal Land Policy and Management Act (FLPMA) and the Federal Advisory Committee Act of 1972 (FACA), the U.S. Department of the Interior, Bureau of Land Management (BLM) Resource Advisory Council (RAC) for Central California will meet as indicated below.

**DATES:** The meeting will be held Friday and Saturday, September 13–14, 2002 at the Patio Room, Tri-County Fairgrounds, Sierra Street and Fair Drive, Bishop, California beginning at 8:00 a.m. both days. The public comment period will begin at 1:00 p.m. each day and last one hour.

**FOR FURTHER INFORMATION CONTACT:** Larry Mercer, Public Affairs Officer, Bureau of Land Management, 3801 Pegasus Drive, Bakersfield, CA 93308, telephone 661–391–6010.

**SUPPLEMENTARY INFORMATION:** The 12 member Central California Resource Advisory Council advises the Secretary of the Interior, through the Bureau of Land Management, on a variety of public land issues associated with public land management in Central California. At this meeting, topics to be discussed include: Committee assignments for members; national recreation fee guideline policy; Sage Grouse in the eastern Sierra; and a field trip to the Bishop Field Office and interaction with the staff.

All meetings are open to the public. The public may present written comments to the Council, and a time will be allocated for hearing public comments. Depending on the number of persons wishing to comment and the time available, the time for individual oral comments may be limited. Individuals who plan to attend and need special assistance such as sign language interpretation, tour transportation or other reasonable accommodations should contact the BLM as indicated above.

Dated: August 1, 2002.

**Larry Mercer,**

*Public Affairs Officer.*

[FR Doc. 02–20159 Filed 8–8–02; 8:45 am]

BILLING CODE 4310–40–M

## INTERNATIONAL TRADE COMMISSION

**[Inv. No. 337–TA–475]**

### In the Matter of Certain Electronic Educational Devices and Components Thereof; Notice of Investigation.

**AGENCY:** International Trade Commission.

**ACTION:** Institution of investigation pursuant to 19 U.S.C. 1337.

**SUMMARY:** Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on July 8, 2002, under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, on behalf of Franklin Electronic Publishers, Inc. of Burlington, New Jersey. An amended complaint was filed on July 26, 2002. The complaint, as amended, alleges violations of section 337 in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain electronic educational devices and components thereof by reason of infringement of claims 1–4 of U.S. Letters Patent 5,203,705. The complaint further alleges that an industry in the United States exists as required by subsection (a)(2) of section 337.

The complainant requests that the Commission institute an investigation and, after the investigation, issue a permanent exclusion order and permanent cease and desist orders.

**ADDRESSES:** The complaint and amended complaint, except for any confidential information contained therein, are available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW., Room 112, Washington, DC 20436, telephone 202–205–2000. Hearing impaired individuals are advised that information on this matter can be obtained by contacting the Commission's ADD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server at *http://www.usitc.gov.* The public record for this investigation may be viewed on the Commission's electronic docket (EDIS–ON–LINE) at *http://dockets.usitc.gov/eol/public.*

**FOR FURTHER INFORMATION CONTACT:** David O. Lloyd, Esq., Office of Unfair Import Investigations, U.S. International Trade Commission, telephone 202–205–2576.

### Authority

The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 CFR 210.10 (2002).

### Scope of Investigation

Having considered the complaint, the U.S. International Trade Commission, on August 1, 2002, *ordered that*—

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as

amended, an investigation be instituted to determine whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain electronic educational devices and components thereof by reason of infringement of claims 1, 2, 3 or 4 of U.S. Letters Patent 5,203,705 and whether an industry in the United States exists as required by subsection (a)(2) of section 337.

(2) For the purpose of the investigation so instituted, the following are hereby named as parties upon which this notice of investigation shall be served:

(a) The complainant is—

Franklin Electronic Publishers, Inc., One Franklin Plaza, Burlington, NJ 08016–4907.

(b) The respondents are the following companies alleged to be in violation of section 337, and are the parties upon which the complaint is to be served:

LeapFrog Enterprises, Inc., 6401 Hollis Street, Emeryville, CA 94608–1071.

Jetta Company, Ltd., Jetta House, 19 On Kui Street, On Lok Tsuen, Fanling, N.T., Hong Kong.

(c) David O. Lloyd, Esq., Office of Unfair Import Investigations, U.S. International Trade Commission, 500 E Street, SW., Room 401, Washington, DC 20436, who shall be the Commission investigative attorney, party to this investigation; and

(3) For the investigation so instituted, the Honorable Paul J. Luckern is designated as the presiding administrative law judge.

Responses to the complaint and the notice of investigation must be submitted by the named respondents in accordance with section 210.13 of the Commission's Rules of Practice and Procedure, 19 CFR 210.13. Pursuant to 19 CFR 201.16(d) and 210.13(a), such responses will be considered by the Commission if received no later than 20 days after the date of service by the Commission of the complaint and the notice of investigation. Extensions of time for submitting responses to the complaint will not be granted unless good cause therefor is shown.

Failure of a respondent to file a timely response to each allegation in the complaint and in this notice may be deemed to constitute a waiver of the right to appear and contest the allegations of the complaint and to authorize the administrative law judge and the Commission, without further notice to that respondent, to find the facts to be as alleged in the complaint and this notice and to enter both an initial determination and a final determination containing such findings, and may result in the issuance of a limited exclusion order or a cease and desist order or both directed against that respondent.

Issued: August 6, 2002.

By order of the Commission.

**Marilyn R. Abbott,**

*Secretary to the Commission.*

[FR Doc. 02–20214 Filed 8–8–02; 8:45 am]

BILLING CODE 7020–02–P

## DEPARTMENT OF JUSTICE

### Antitrust Division

### Notice Pursuant to the National Cooperative Research and Production Act of 1993—Open Core Protocol International Partnership Association, Inc.

Notice is hereby given that, on July 8, 2002, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), OCP International Partnership Association, Inc. (''OCP–IP'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership status. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, 3rdeye Technology, Washington, DC; e-ASIC, San Jose, CA; Semiconductor Technology Academic Research Center (''STARC''), Yokohama, JAPAN; Qualis, Inc., Lake Oswego, OR; GeoLogic Design, LLP, Redwood City, CA; and Mentor Graphics, San Jose, CA have been added as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and OCP–IP intends to file additional written notification disclosing all changes in membership.

On May 10, 2002, OCP–IP filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on June 18, 2002 (67 FR 41483).

**Constance K. Robinson,**

*Director of Operations, Antitrust Division.*

[FR Doc. 02–20140 Filed 8–8–02; 8:45 am]

BILLING CODE 4410–11–M

## DEPARTMENT OF JUSTICE

### Antitrust Division

### Notice Pursuant to the National Cooperative Research and Production Act of 1993—Southwest Research Institute: Diesel Aftertreatment Sensitivity to Lubricants (DASL) and Non-Thermal Catalyst Deactivation (N–TCD)

Notice is hereby given that, on July 2, 2002, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4310 *et seq.* (''the Act''), Southwest Research Institute: Diesel Aftertreatment Sensitivity to Lubricants (DASL) and Non-Thermal Catalyst Deactivation (N–TCD) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the current identities of the parties are Caterpillar, Inc., Mossville, IL; Chevron Oronite Company LLC, Richmond, CA; Corning Incorporated, Corning, NY; Exxon Mobile Research and Engineering, Clinton, NJ; Infineum International Limited, Abingdon, Oxfordshire, UNITED KINGDOM; Lubrizol Corporation, Wickliffe, OH; and NGK-Locke, Inc., Southfield, MI. The nature and objectives of the venture are to investigate the potential for lubricating oils to degrade or poison emissions control systems for diesel and gasoline engines. The DASL portion of the investigation is a parametric study which is designed to expose various diesel emissions controls systems to oil combustion byproducts. The effects of the lubricating oil components, such as sulfur, phosphorus, zinc, calcium, and boron will be determined by measuring the deactivation of the emissions control systems as a consequence of oil exposure. The N–TCD portion of the investigation is a research/mechanistic study intended to explore the mechanisms of emissions control system deactivation as a result of oil exposure; for example, phosphorus poisoning of three-way catalysts.

Membership in this research group remains open, and the participants intend to file additional written

notification disclosing all changes in membership and planned activities.

**Constance K. Robinson,**

*Director of Operations, Antitrust Division.*

[FR Doc. 02–20141 Filed 8–8–02; 8:45 am]

**BILLING CODE 4410–11–M**

## DEPARTMENT OF LABOR

### Employment and Training Administration

### Notice of Determinations Regarding Eligibility To Apply for Worker Adjustment Assistance and NAFTA Transitional Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended, the Department of Labor herein presents summaries of determinations regarding eligibility to apply for trade adjustment assistance for workers (TA–W) issued during the period of July, 2002.

In order for an affirmative determination to be made and a certification of eligibility to apply for worker adjustment assistance to be issued, each of the group eligibility requirements of Section 222 of the Act must be met.

(1) That a significant number or proportion of the workers in the workers' firm, or an appropriate subdivision thereof, have become totally or partially separated,

(2) That sales or production, or both, of the firm or subdivision have decreased absolutely, and

(3) That increases of imports of articles like or directly competitive with articles produced by the firm or appropriate subdivision have contributed importantly to the separations, or threat thereof, and to the absolute decline in sales or production.

**Negative Determinations for Worker Adjustment Assistance**

In each of the following cases the investigation revealed that criterion (3) has not been met. A survey of customers indicated that increased imports did not contribute importantly to worker separations at the firm.

**None**

In the following cases, the investigation revealed that the criteria for eligibility have not been met for the reasons specified.

The workers firm does not produce an article as required for certification under Section 222 of the Trade Act of 1974.

*TA–W–41,525; Stanley Furniture Co., Inc., Stanleytown, VA*

*TA–W–41,018; Lucent Technologies, Inc., Lucent Worldwide Service, Installation Div., Eugene, OR*

*TA–W–40,802; Geotemps, Hurley, NM*

*TA–W–41,595; Greyhound Lines, Inc., Dallas, TX*

*TA–W–41,453; Fun-Tees, Inc., Distribution Center, Concord, NC*

*TA–W–41,562; Florsheim Distribution Center, Florsheim Group, Inc., Jefferson City, MO*

Increased imports did not contribute importantly to worker separations at the firm.

*TA–W–41,554; International Utility Structures, Inc., Batesville, AR*

*TA–W–41,582; Garment Corp. of America, Miami Beach, FL*

*TA–W–41,494; Mantua Industries, Inc., Woodbury Heights, NJ*

*TA–W–41,557; Battery Pack of America, Toshiba Battery Co Ltd, Durham, NC*

**Affirmative Determinations for Worker Adjustment Assistance**

The following certifications have been issued; the date following the company name and location of each determination references the impact date for all workers of such determination.

*TA–W–41,587; Saes Getters Corporation of America, Independence, OH: May 5, 2001.*

*TA–W–41,392; White Mountain Stitching Co., Littleton, NH: March 21, 2001.*

*TA–W–41,338; Cooper Wiring Devices, Division of Cooper Industries, Long Island City, NY: March 20, 2001.*

*TA–W–41,533; The Stanley Works, Stanley Tools Plant, New Britain, CT: January 19, 2002.*

*TA–W–39,104; Alexander Doll Company, Inc., New York, NY: April 9, 2000.*

*TA–W–41,344 & A; Vision-Ease Lens Azusa, Inc., Azusa, CA and Vision-Ease Lens, Inc., Azusa, CA: March 22, 2001.*

*TA–W–41,242; Chevron U.S.A. Production Co (CPDN), A Div. of Chevron U.S.A., Inc., Houston, TX and Operating in the Following Locations: A; CA, B; CO, C; LA, D; NM, E; OK, F; TX, G; WY: July 8, 2001.*

*TA–W–40,951; Albany International Corp., Geschmay Plant, Greenville, SC: January 28, 2001.*

*TA–W–41,085; BBI Enterprises, LP, Alpena, MI: February 14, 2001.*

*TA–W–41,298; Komar Manufacturing Co., Claysburg, PA: March 8, 2001.*

*TA–W–41,345; Fuchs Systems, Inc., Salisbury, NC: January 20, 2002.*

*TA–W–41,374; Curtis PMC, Division of Curtis Instruments, Inc., Livermore, CA: March 28, 2001*

*TA–W–41,526; Wabash Technologies, Automotive Business Unit, Huntington, IN: May 2, 2001*

*TA–W–41,565; Washington Garment Co., Inc., Washington, NC: April 29, 2001*

*TA–W–41,592; Logan Manufacturing Company, Inc., Chapmanville, WV: May 2, 2001*

Also, pursuant to Title V of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182) concerning transitional adjustment assistance hereinafter called (NAFTA–TAA) and in accordance with Section 250(a), Subchaper D, Chapter 2, Title II, of the Trade Act as amended, the Department of Labor presents summaries of determinations regarding eligibility to apply for NAFTA–TAA issued during the months of July, 2002.

In order for an affirmative determination to be made and a certification of eligibility to apply for NAFTA–TAA the following group eligibility requirements of Section 250 of the Trade Act must be met:

(1) That a significant number or proportion of the workers in the workers' firm, or an appropriate subdivision thereof, (including workers in any agricultural firm or appropriate subdivision thereof) have become totally or partially separated from employment and either—

(2) That sales or production, or both, of such firm or subdivision have decreased absolutely,

(3) That imports from Mexico or Canada of articles like or directly competitive with articles produced by such firm or subdivision have increased, and that the increases imports contributed importantly to such workers' separations or threat of separation and to the decline in sales or production of such firm or subdivision; or

(4) That there has been a shift in production by such workers' firm or subdivision to Mexico or Canada of articles like or directly competitive with articles which are produced by the firm or subdivision.

**Negative Determinations NAFTA–TAA**

In each of the following cases the investigation revealed that criteria (3) and (4) were not met. Imports from Canada or Mexico did not contribute importantly to workers' separations. There was no shift in production from the subject firm to Canada or Mexico during the relevant period.

*NAFTA–TAA–06270; Sovereign Adhesives, Inc., Ewing, NJ*

*NAFTA–TAA–06184; Mantua Industries, Woodbury Heights, NJ*

The investigation revealed that the criteria for eligibility have not been met for the reasons specified.

The investigation revealed that workers of the subject firm did not produce an article within the meaning of Section 250(a) of the Trade Act, as amended.

*NAFTA–TAA–06149; Intermetro Industries Corp., Carol Stream, IL*

*NAFTA–TAA–05994; Lucent Technologies, Inc., Lucent Worldwide Services, Installation Division, Eugene, OR*

**Affirmative Determinations NAFTA–TAA**

*NAFTA–TAA–06246; J.D. Holding Company & Subsidiaries, Inc., DC Products, Inc., Springport, MI: May 29, 2001*

I hereby certify that the aforementioned determinations were issued during the months of July, 2002. Copies of these determinations are available for inspection in Room C–5311, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210 during normal business hours or will be mailed to persons who write to the above address.

Dated: August 2, 2002.

**Edward A. Tomchick**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20200 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

### Employment and Training Administration

### Investigations Regarding Certifications of Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under section 221(a) of the Trade Act of 1974 (''the Act'') and are identified in the Appendix to this notice. Upon receipt of these petitions, the Director of the Division of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to section 221(a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter or the investigations may request a public hearing, provided such request is filed in writing with the Director, Division of Trade Adjustment Assistance, at the address shown below, not later than August 19, 2002.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Director, Division of Trade Adjustment Assistance, at the address shown below, not later than August 19, 2002.

The petitions filed in this case are available for inspection at the Office of the Director, Division of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, Room C–5311, 200 Constitution Avenue, NW., Washington, DC 20210.

Signed at Washington, DC, this 29th day of July, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

APPENDIX

[Petitions Instituted on 07/29/2002]

| TA–W | Subject firm (petitioners) | Location | Date of petition | Product(s) |
|---|---|---|---|---|
| 41,880 | Affiliated Bldg. Services (Co.) | Biscoe, NC | 07/09/2002 | Contract Maintenance Services. |
| 41,881 | Holloway Sportswear, Inc. (Wkrs) | Sidney, OH | 07/17/2002 | Sportswear. |
| 41,882 | Aermotor Pumps Inc. (Co.) | Conway, AR | 07/09/2002 | Sump Pumps. |
| 41,883 | The Akron Equipment Co. (Co.) | Akron, OH | 07/14/2002 | Steel and Aluminum Cast. |
| 41,884 | Dura Automotive Systems (Co.) | Pikeville, TN | 07/08/2002 | Power Window Regulators. |
| 41,885 | Custom Sewing, Inc. (Co.) | Rib Lake, WI | 07/12/2002 | Leather Shoes and Boots. |
| 41,886 | Kelly Springfield (Wkrs) | Fayetteville, NC | 06/20/2002 | Truck Tires. |
| 41,887 | Storage Technology Corp. (Wkrs) | Louisville, CO | 07/03/2002 | Printed Wire Assemblies. |
| 41,888 | Jasper Cabinet Company (USWA) | Jasper, IN | 07/13/2002 | Wood Furniture. |
| 41,889 | United Container Machiner (Wkrs) | Glen Arm, MD | 07/17/2002 | Box Machinery. |
| 41,890 | Kaman Aerospace (Wkrs) | Middletown, CT | 06/13/2002 | Microwave Cables. |
| 41,891 | American Uniform Co. (Co.) | Blue Ridge, GA | 07/11/2002 | Flat Goods. |
| 41,892 | NF and M International (USWA) | Monaca, PA | 07/18/2002 | Wrought Titanium. |
| 41,893 | J and J Forging (USWA) | Monaca, PA | 05/01/2002 | Titanium and Steel Alloy Products. |
| 41,894 | Coilcraft (Wkrs) | Hawarden, IA | 07/10/2002 | Wire Wrapped Ceremic. |
| 41,895 | Xerox Corporation (Wkrs) | Webster, NY | 06/07/2002 | Digital Copiers, Printers, Facsimiles |
| 41,896 | McManus Wyatt Produce Co. (Wkrs) | Weslaco, TX | 07/01/2002 | Packer/Shipper of Fresh Produce. |
| 41,897 | National Electrical Carbo (Wkrs) | Birmingham, AL | 07/08/2002 | Carbon Brushes. |
| 41,898 | Multicraft Technology (Wkrs) | Tylertown, MS | 06/24/2002 | Automotive Electronic Parts. |
| 41,899 | McMahon Group LLC (Wkrs) | Liverpool, NY | 07/08/2002 | Circuit Boards. |
| 41,900 | Tecumseh Products (IAM) | Grafton, WI | 07/08/2002 | Compressors. |
| 41,901 | Johnson and Johnson Appar (UNITE) | Bailey, NC | 07/11/2002 | Children's Dresses. |
| 41,902 | O.S. Walker Co. (USWA) | Worcester, MA | 07/11/2002 | Electro Magnetic Chucks. |
| 41,903 | Penske Truck Leasing (Wkrs) | Chesterfield, MO | 07/10/2002 | Truck Rental and Leasing. |
| 41,904 | Americal Corporation (Co.) | Carrollton, GA | 07/08/2002 | Internationally Sourced Goods. |
| 41,905 | Penn Compression Moulding (Wkrs) | Irwin, PA | 07/05/2002 | Power Tools. |
| 41,906 | Cooper Tool (Wkrs) | Cheraw, SC | 07/09/2002 | Air Tools. |
| 41,907 | Klaussner Furniture (Wkrs) | Ashboro, NC | 07/12/2002 | Furniture Cloth and Leather. |
| 41,908 | P.S.M. Fastners (IAM) | Ferguson, MO | 07/15/2002 | Screw Machines, Valve, Fastners. |
| 41,909 | Defender Services, Inc. (Co.) | Greensboro, NC | 06/28/2002 | Cleaning Services. |
| 41,910 | Buffalo Color Corporation (Co.) | Buffalo, NY | 07/18/2002 | Indigo Dyes. |

[FR Doc. 02–20202 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–M

## DEPARTMENT OF LABOR

### Employment and Training Administration

**[TA–W–40,827]**

### Argus International, Inc., Including Leased Workers of ADP Total Source, Medley, FL; Amended Certification Regarding Eligibility To Apply for Worker Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) the U.S. Department of Labor issued a Certification of Eligibility to Apply for Worker Adjustment Assistance on May 2, 2002, applicable to workers of Argus International, Inc., Medley, Florida. The notice was published in the **Federal Register** on May 17, 2002 (67 FR 35143).

At the request of the State agency, the Department reviewed the certification for workers of the subject firm. Information provided by the State shows that leased workers of ADP Total Source were employed at Argus International, Inc. to produce ladies', men's and children's apparel at the Medley, Florida location of the subject firm.

Based on these findings, the Department is amending the certification to include leased workers of ADP Total Source producing ladies', men's and children's apparel at the Medley, Florida location of the subject firm.

The intent of the Department's certification is to include all workers of Argus International, Inc. who were adversely affected by increased imports.

The amended notice applicable to TA–W–40,827 is hereby issued as follows:

All workers of Argus International, Inc., Medley, Florida, including leased workers of ADP Total Source engaged in employment related to the production of ladies', men's and children's apparel at Argus International, Inc., Medley, Florida, who became totally or partially separated from employment on or after January 7, 2001, through May 2, 2004, are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974.

Signed at Washington DC this 25th day of July, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20195 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

### Employment and Training Administration

**[TA–W–41,274]**

### Azon Corporation, Johnson City, NY; Notice of Negative Determination Regarding Application for Reconsideration

By application postmarked July 2, 2002, a petitioner requested administrative reconsideration of the Department's negative determination regarding eligibility for workers and former workers of the subject firm to apply for Trade Adjustment Assistance (TAA). The denial notice applicable to workers of Azon Corporation, Johnson City, New York was issued on May 31, 2002, and was published in the **Federal Register** on June 21, 2002 (67 FR 42285).

Pursuant to 29 CFR 90.18(c) reconsideration may be granted under the following circumstances:

(1) If it appears on the basis of facts not previously considered that the determination complained of was erroneous;

(2) If it appears that the determination complained of was based on a mistake in the determination of facts not previously considered; or

(3) If in the opinion of the Certifying Officer, a mis-interpretation of facts or of the law justified reconsideration of the decision.

The investigation revealed that criterion (3) of the group eligibility requirements of Section 222 of the Trade Act of 1974 was not met. The ''contributed importantly'' test is generally demonstrated through a survey of customers of the workers' firm. The survey revealed that none of the respondents imported coated and converted paper and film during the relevant period. The investigation further revealed that the company did not import products like or directly competitive with coated and converted paper and film during the relevant period.

The request for reconsideration claims a major customer switched from buying from the subject firm in favor of purchasing products like or directly competitive with what the subject plant produced from a competitor that was headquartered in the Netherlands.

A review of data supplied during the initial investigation shows that the specified competitor was in fact headquartered in the Netherlands. However, the products sold by the competitor were produced in the United States. Therefore, the fact that the company was headquartered in the Netherlands is not relevant, since the competitor did not import the products back to the United States during the relevant period.

#### Conclusion

After review of the application and investigative findings, I conclude that there has been no error or misinterpretation of the law or of the facts which would justify reconsideration of the Department of Labor's prior decision. Accordingly, the application is denied.

Signed at Washington, DC, this 26th day of July 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20198 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

### Employment and Training Administration

### Investigations Regarding Certifications of Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under section 221(a) of the Trade Act of 1974 (''the Act'') and are identified in the Appendix to this notice. Upon receipt of these petitions, the Director of the Division of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to section 221(a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Director, Division of Trade Adjustment Assistance, at the address shown below, not later than August 19, 2002.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Director, Division of Trade Adjustment Assistance, at the address shown below, not later than August 19, 2002.

The petitions filed in this case are available for inspection at the Office of

the Director, Division of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, Room C–5311, 200 Constitution Avenue, NW., Washington, DC 20210.

Signed at Washington, DC, this 22nd day of July, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

APPENDIX

[Petitions Instituted on 07/22/2002]

| TA–W | Subject firm (Petitioners) | Location | Date of petition | Product(s) |
|---|---|---|---|---|
| 41,838 | Feralloy North American (Wkrs) | Melvindale, MI | 06/24/2002 | Customer Service. |
| 41,839 | Ergo Systems, Inc. (Wkrs) | Green Lane, PA | 07/01/2002 | Computer Keyboard Supports. |
| 41,840 | Corbin Ltd (Wkrs) | Huntington, WV | 06/21/2002 | Mens and Ladies Trousers and Shorts. |
| 41,841 | E and A Technologies (Wkrs) | El Paso, TX | 07/01/2002 | Computer Parts. |
| 41,842 | Bee Paper Co., Inc. (Wkrs) | Wayne, NJ | 06/14/2002 | Office Supplies. |
| 41,843 | Guardsmark (Wkrs) | Morgantown, KY | 07/01/2002 | Customer Service. |
| 41,844 | Unit Rig/Terex (IAM) | Tulsa, OK | 07/01/2002 | Dump Trucks and Parts. |
| 41,845 | Norma Tech (Wkrs) | Watertown, CT | 07/01/2002 | Automotive Hose Clamps. |
| 41,846 | Northwest Swissmatic (Wkrs) | Minneapolis, MN | 06/30/2002 | Cylindrical Machine Parts. |
| 41,847 | Cooper Tools (UAW) | Cortland, NY | 06/25/2002 | Wire Rope and Chain Fittings. |
| 41,848 | Jam'ng Five Inc. (Wkrs) | Medley, FL | 06/25/2002 | Cut Fabric for Children's Apparel. |
| 41,849 | Neoplan USA Corp. (Wkrs) | Brownsville, TX | 06/27/2002 | Buses. |
| 41,850 | Global Apparel LLC (Wkrs) | New York, NY | 03/11/2002 | Garments. |
| 41,851 | Burlington Resources (Wkrs) | Houston, TX | 06/30/2002 | Oil and Natural Gas. |
| 41,852 | Cookeville Stamping (Wkrs) | Cookeville, TN | 06/28/2002 | Appliance Parts. |
| 41,853 | Glamorise (Wkrs) | Williamsport, PA | 06/12/2002 | Ladies' Underwear. |
| 41,854 | ZF Industries, Inc. (Wkrs) | Tuscaloosa, AL | 06/17/2002 | Axles Sysem Units. |
| 41,855 | Fibermark DSI (Wkrs) | Springfield, MA | 06/28/2002 | Specialty Paper. |
| 41,856 | Corning Cable Systems (Co.) | Marshfield, MO | 06/28/2002 | Communications Shelters, Thermo Safes. |
| 41,857 | DMI Furniture, Inc. (Co.) | Huntingburg, IN | 06/24/2002 | Office Furniture. |
| 41,858 | G and G Sewing Machine Co (Co.) | Dunmore, PA | 06/18/2002 | Custom Sewing Units. |
| 41,859 | King Press (Wkrs) | Joplin, MO | 06/27/2002 | Printing Presses. |
| 41,860 | Oki Data Americas, Inc. (Co.) | Mount Laurel, NJ | 07/15/2002 | Ribbon and Toner Cartridges. |
| 41,861 | U.S. Precision Glass (Co.) | Lewisburg, OH | 06/28/2002 | Flat Glass for Refrigerator Shelves. |
| 41,862 | Gino and Jack Mfg. (UNITE) | Bath, PA | 06/28/2002 | Ladies Sportswear. |
| 41,863 | Kalkstein Mills, Inc. (UNITE) | Paterson, NJ | 06/27/2002 | Textile and Weaving. |
| 41,864 | Rock-Tenn Company (Co.) | Vineland, NJ | 06/27/2002 | Hard Back Book Covers. |
| 41,865 | Amcor Speciality Packagin (Wkrs) | Newport News, VA | 06/06/2002 | Plastic Food Containers. |
| 41,866 | Ingersoll-Rand Company (Co.) | Roanoke, VA | 06/27/2002 | Crawler Rock Drills, Downhole Drill Bits. |
| 41,867 | Tee Jays Manufacturing (Co.) | Florence, AL | 07/02/2002 | Men's and Boys' Shirts. |
| 41,868 | VF Imagewear Inc. (Co.) | Mt. Pleasant, TN | 07/12/2002 | Men's and Boys' Work Clothes. |
| 41,869 | Skyworks Solutions, Inc. (Co.) | Woburn, MA | 07/11/2002 | Semiconductor Components. |
| 41,870 | Cummins Inc. (Co.) | Montello, WI | 07/02/2002 | Gas Turbine Inlet/Exhaust Systems. |
| 41,871 | Harvard Industries (UAW) | Albion, MI | 06/27/2002 | Drive Train Components. |
| 41,872 | Breed Technologies, Inc. (UNITE) | Knoxville, TN | 07/03/2002 | Automotive Airbag and Seatbelt Component. |
| 41,873 | The Boeing Company (UAW) | Melbourne, AR | 07/02/2002 | Aircrafts. |
| 41,874 | Sebago, Inc. (Co.) | Gorham, ME | 07/12/2002 | Men's Women's and Kids' Footwear. |
| 41,875 | Agrium Conda Phosphate (Co.) | Soda Springs, ID | 06/12/2002 | Phosphate Fertilizers. |
| 41,876 | Meggitt Avionics (UNITE) | Manchester, NH | 03/26/2002 | Avionics. |
| 41,877 | Willamette Industries (Co.) | Albany, OR | 07/13/2002 | Lumber. |
| 41,878 | Doncasters Turbo (Wkrs) | Ivoryton, CT | 06/07/2002 | Turbine Glades. |
| 41,879 | Scotty Fashions (UNITE) | Lehighton, PA | 07/15/2002 | Ladies Sportswear. |

[FR Doc. 02–20203 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–M

## DEPARTMENT OF LABOR

### Employment and Training Administration

**[TA–W–41,388]**

### Fujitsu Network Communications, Inc., Raleigh, NC; Notice of Negative Determination Regarding Application for Reconsideration

By application received on July 8, 2002, a petitioner requested administrative reconsideration of the Department's negative determination regarding eligibility for workers and former workers of the subject firm to apply for Trade Adjustment Assistance (TAA). The denial notice applicable to workers of Fujitsu Network Communications (FNC), Inc., Raleigh, North Carolina, was signed on June 7, 2002, and published in the **Federal Register** on June 21, 2002 (67 FR 42285).

Pursuant to 29 CFR 90.18(c) reconsideration may be granted under the following circumstances:

(1) If it appears on the basis of facts not previously considered that the

determination complained of was erroneous;

(2) If it appears that the determination complained of was based on a mistake in the determination of facts not previously considered; or

(3) If in the opinion of the Certifying Officer, a mis-interpretation of facts or of the law justified reconsideration of the decision.

The TAA petition, filed on behalf of workers at Fujitsu Network Communications (FNC), Inc., Raleigh, North Carolina were engaged in activities related to software programming and computer support. The petition was denied because the petitioning workers did not produce an article within the meaning of Section 222(3) of the Act.

The petitioner attempts to demonstrate that the subject plant workers produced a specific article. The petitioner indicates that the product is called ''NETSMART'' which is an operating system with a graphical user interface. The petitioner further indicates that most of the workers were software developers and some were assigned computer tasks that involved leasing of the developers computers, upgrading the developer's computers with the latest versions of third party software, and regularly developing code into a single functioning unit to be burned on to a compact disk for distribution.

The functions of programming, technical support and the other administrative functions depicted by the petitioner are not considered production activities. A review of the initial investigation shows no production of an article was ever performed at the subject facility during the relevant period.

The workers at the subject firm do not produce an article within the meaning of Section 222(3) of the Trade Act 1974.

**Conclusion**

After review of the application and investigative findings, I conclude that there has been no error or misinterpretation of the law or of the facts which would justify reconsideration of the Department of Labor's prior decision. Accordingly, the application is denied.

Signed at Washington, DC, this 1st day of August, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20199 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

## Employment and Training Administration

**[TA–W–41,004]**

## Glen Raven, Inc., Burnsville, NC; Notice of Termination of Investigation

Pursuant to Section 221 of the Trade Act of 1974, an investigation was initiated on March 11, 2002, in response to a worker petition which was filed on behalf of workers at Glen Raven, Inc., Burnsville, North Carolina.

The petitioner has requested that the petition be withdrawn. Consequently, further investigation in this case would serve no purpose, and the investigation has been terminated.

Signed at Washington, DC this 2nd day of August 2002.

**Linda G. Poole,**

*Certifying Officer, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20196 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

## Employment and Training Administration

**[TA–W–40,548 and TA–W–40,458A]**

## Handler Textile, a Division of Duro Industries, Inc., Stone Mountain, GA; and Duro Industries Sales Corporation, A Division of Duro Industries, Inc., Rochester, NY; Dismissal of Application for Reconsideration

Pursuant to 29 CFR 90.18(C) an application for administrative reconsideration was filed with the Director of the Division of Trade Adjustment Assistance for workers at Handler Textile, a Division of Duro Industries, Inc., Stone Mountain, Georgia and Duro Industries Sales Corporation, a Division of Duro Industries, Inc., Rochester, New York. The application contained no new substantial information which would bear importantly on the Department's determination. Therefore, dismissal of the application was issued.

TA–W–40,458; Handler Textile, a Division of Duro Industries, Inc., Stone Mountain, Georgia and

TA–W–40,458A; Duro Industries Sales Corporation, a Division of Duro Industries, Inc., Rochester, New York (July 30, 2002)

Signed at Washington, DC this 5th day of August, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20194 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

## Employment and Training Administration

**[TA–W–41,173]**

## Progress Lighting, Philadelphia, PA; Notice of Termination of Investigation

Pursuant to section 221 of the Trade Act of 1974, an investigation was initiated on March 25, 2002, in response to a worker petition which was filed on behalf of workers at Progress Lighting, Philadelphia, Pennsylvania.

An active certification covering the petitioning group of workers is already in effect (TA–W–38,307A, as amended). Consequently, further investigation in this case would serve no purpose, and the investigation has been terminated.

Signed in Washington, DC, this 25th day of July, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20197 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

## Employment and Training Administration

**[TA–W–40,099]**

## Shasta Paper Company, Shasta Acquisition, Plainwell Paper, Anderson, CA; Amended Certification Regarding Eligibility To Apply for Worker Adjustment Assistance

In accordance with section 223 of the Trade Act of 1974 (19 U.S.C. 2273) the Department of Labor issued a Certification of Eligibility to Apply for Worker Adjustment Assistance on January 17, 2002, applicable to workers of Shasta Paper Company, Anderson, California. The notice was published in the **Federal Register** on January 31, 2002 (67 FR 4750).

At the request of the State agency, the Department reviewed the certification for workers of the subject firm. The workers are engaged in the production of coated and uncoated printing paper.

New information shows that Shasta Acquisition is the parent firm of Shasta Paper Company and Plainwell Paper.

Information also shows that some workers separated from employment at the subject firm had their wages reported under two separate unemployment insurance (UI) tax accounts; Shasta Acquisition and Plainwell Paper.

Accordingly, the Department is amending the certification to properly reflect this matter.

The intent of the Department's certification is to include all workers of Shasta Paper, Anderson, California who were adversely affected by increased imports.

The amended notice applicable to TA–W–40,099 is hereby issued as follows:

All workers of Shasta Paper Company, Shasta Acquisition and Plainwell Paper, Anderson, California, engaged in the production of coated and uncoated printing paper, who became totally or partially separated from employment on or after September 4, 2000, through January 17, 2004, are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974.

Signed at Washington, DC this 25th day of July, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20193 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

### Employment and Training Administration

**[NAFTA–04208 and NAFTA–04208A]**

### Progress Lighting, Cowpens, SC, and Progress Lighting, Philadelphia PA; Amended Certification Regarding Eligibility To Apply for NAFTA-Transitional Adjustment Assistance

In accordance with Section 250(a), Subchapter D, Chapter 2, Title II, of the Trade Act of 1974, as amended (19 U.S.C. 2273), the Department of Labor issued a Certification of Eligibility to Apply for NAFTA Transitional Adjustment Assistance on October 31, 2000, applicable to workers of Progress Lighting, Cowpens, South Carolina. The notice was published in the **Federal Register** on November 16, 2000 (65 FR 69343).

At the request of the International Brotherhood of Electrical Workers, Local 2005, the Department reviewed the certification for workers of the subject firm. The company reports that worker separations occurred at the Philadelphia, Pennsylvania location of Progress Lighting. The Philadelphia, Pennsylvania location is a distribution center for the lighting fixtures produced in Cowpens, South Carolina.

Based on these findings, the Department is amending the certification to include workers of the Philadelphia, Pennsylvania location of Progress Lighting.

The intent of the Department's certification is to include all workers of Progress Lighting Wesley Industries, Inc. affected by a shift in production of lighting fixtures to Mexico.

Accordingly, the Department is amending the certification to include workers of Progress Lighting, Philadelphia, Pennsylvania.

The amended notice applicable to NAFTA–04208 is hereby issued as follows:

All workers of Progress Lighting, Cowpens, South Carolina (NAFTA–04208) and Progress Lighting, Philadelphia, Pennsylvania (NAFTA–04208A) who became totally or partially separated from employment on or after October 6, 1999, through October 31, 2002, are eligible to apply for NAFTA–TAA under Section 250 of the Trade Act of 1974.

Signed in Washington, DC, this 25th day of July, 2002.

**Edward A. Tomchick,**

*Director, Division of Trade Adjustment Assistance.*

[FR Doc. 02–20201 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–30–P

## DEPARTMENT OF LABOR

### Employment Standards Administration

### Wage and Hour Division; Minimum Wages for Federal and Federally Assisted Construction; General Wage Determination Decisions

General wage determination decisions of the Secretary of Labor are issued in accordance with applicable law and are based on the information obtained by the Department of Labor from its study of local wage conditions and data made available from other sources. They specify the basic hourly wage rates and fringe benefits which are determined to be prevailing for the described classes of laborers and mechanics employed on construction projects of a similar character and in the localities specified therein.

The determinations in these decisions of prevailing rates and fringe benefits have been made in accordance with 29 CFR Part 1, by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR Part 1, Appendix, as well as such additional statutes as may from time to time be enacted containing provisions for the payment of wages determined to be prevailing by the Secretary of Labor in accordance with the Davis-Bacon Act. The prevailing rates and fringe benefits determined in these decisions shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classes engaged on contract work of the character and in the localities described therein.

Good cause is hereby found for not utilizing notice and public comment procedure thereon prior to the issuance of these determinations as prescribed in 5 U.S.C. 553 and not providing for delay in the effective date as prescribed in that section, because the necessity to issue current construction industry wage determinations frequently and in large volume causes procedures to be impractical and contrary to the public interest.

General wage determination decisions, and modifications and supersedeas decisions thereto, contain no expiration dates and are effective from their date of notice in the **Federal Register**, or on the date written notice is received by the agency, whichever is earlier. These decisions are to be used in accordance with the provisions of 29 CFR Parts 1 and 5. Accordingly, the applicable decision, together with any modifications issued, must be made a part of every contract for performance of the described work within the geographic area indicated as required by an applicable Federal prevailing wage law and 29 CFR Part 5. The wage rates and fringe benefits, notice of which is published herein, and which are contained in the Government Printing Office (GPO) document entitled ''General Wage Determinations Issued Under The Davis-Bacon And Related Acts,'' shall be the minimum paid by contractors and subcontractors to laborers and mechanics.

Any person, organization, or governmental agency having an interest in the rates determined as prevailing is encouraged to submit wage rate and fringe benefit information for consideration by the Department.

Further information and self-explanatory forms for the purpose of submitting this data may be obtained by writing to the U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division, Division of Wage Determinations, 200 Constitution Avenue, NW., Room S–3014, Washington, DC 20210.

**Modification to General Wage Determination Decisions**

The number of the decisions listed to the Government Printing Office document entitled ''General Wage Determinations Issued Under the Davis-Bacon and related Acts'' being modified are listed by Volume and State. Dates of publication in the **Federal Register** are in parentheses following the decisions being modified.

*Volume I*

New Jersey
NJ020002 (Mar. 01, 2002)
NJ020003 (Mar. 01, 2002)
NJ020005 (Mar. 01, 2002)
Rhode Island
RI020001 (Mar. 01, 2002)
RI020002 (Mar. 01, 2002)

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Nebraska
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NE020007 (Mar. 1, 2002)
NE020009 (Mar. 1, 2002)
NE020010 (Mar. 1, 2002)
NE020011 (Mar. 1, 2002)
NE020019 (Mar. 1, 2002)
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Nevada
NV020005 (Mar. 1, 2002)
NV020009 (Mar. 1, 2002)

**General Wage Determination Publication**

General wage determinations issued under the Davis-Bacon and related Acts,

including those noted above, may be found in the Government Printing Office (GPO) document entitled ''General Wage Determinations Issued Under the Davis-Bacon And Related Acts''. This publication is available at each of the 50 Regional Government Depository Libraries and many of the 1,400 Government Depository Libraries across the country.

General wage determinations issued under the Davis-Bacon and related Acts are available electronically at no cost on the Government Printing Office site at *www.access.gpo.gov/davisbacon.* They are also available electronically by subscription to the Davis-Bacon Online Service (*http://davisbacon.fedworld.gov)* of the National Technical Information Service (NTIS) of the U.S. Department of Commerce at 1–800–363–2068. This subscription offers value-added features such as electronic delivery of modified wage decisions directly to the user's desktop, the ability to access prior wage decisions issued during the year, extensive Help Desk Support, etc.

Hard-copy subscriptions may be purchased from: Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, (202) 512–1800.

When ordering hard-copy subscription(s), be sure to specify the State(s) of interest, since subscriptions may be ordered for any or all of the six separate Volumes, arranged by State. Subscriptions include an annual edition (issued in January or February) which includes all current general wage determinations for the States covered by each volume. Throughout the remainder of the year, regular weekly updates will be distributed to subscribers.

Signed at Washington, DC, this 1 day of August 2002.

**Carl J. Poleskey,**

*Chief, Branch of Construction Wage Determinations.*

[FR Doc. 02–19961 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–27–M

## DEPARTMENT OF LABOR

## Pension and Welfare Benefits Administration

**[Application No. D–10989, et al.]**

## Proposed Exemptions; Investors Savings Bank Pension Plan (the Plan)

**AGENCY:** Pension and Welfare Benefits Administration, Labor.

**ACTION:** Notice of proposed exemptions.

**SUMMARY:** This document contains notices of pendency before the Department of Labor (the Department) of proposed exemptions from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

### Written Comments and Hearing Requests

All interested persons are invited to submit written comments or requests for a hearing on the pending exemptions, unless otherwise stated in the Notice of Proposed Exemption, within 45 days from the date of publication of this **Federal Register** Notice. Comments and requests for a hearing should state: (1) The name, address, and telephone number of the person making the comment or request, and (2) the nature of the person's interest in the exemption and the manner in which the person would be adversely affected by the exemption. A request for a hearing must also state the issues to be addressed and include a general description of the evidence to be presented at the hearing.

**ADDRESS:** All written comments and requests for a hearing (at least three copies) should be sent to the Pension and Welfare Benefits Administration (PWBA), Office of Exemption Determinations, Room N–5649, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210. Attention: Application No. ____, stated in each Notice of Proposed Exemption. Interested persons are also invited to submit comments and/or hearing requests to PWBA via e-mail or FAX. Any such comments or requests should be sent either by e-mail to: *''moffittb@pwba.dol.gov'',* or by FAX to (202) 219–0204 by the end of the scheduled comment period. The applications for exemption and the comments received will be available for public inspection in the Public Documents Room of the Pension and Welfare Benefits Administration, U.S. Department of Labor, Room N–1513, 200 Constitution Avenue, NW., Washington, DC 20210.

### Notice to Interested Persons

Notice of the proposed exemptions will be provided to all interested persons in the manner agreed upon by the applicant and the Department within 15 days of the date of publication in the **Federal Register**. Such notice shall include a copy of the notice of proposed exemption as published in the **Federal Register** and shall inform interested persons of their right to comment and to request a hearing (where appropriate).

**SUPPLEMENTARY INFORMATION:** The proposed exemptions were requested in applications filed pursuant to section 408(a) of the Act and/or section 4975(c)(2) of the Code, and in accordance with procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). Effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978, 5 U.S.C. App. 1 (1996), transferred the authority of the Secretary of the Treasury to issue exemptions of the type requested to the Secretary of Labor. Therefore, these notices of proposed exemption are issued solely by the Department.

The applications contain representations with regard to the proposed exemptions which are summarized below. Interested persons are referred to the applications on file with the Department for a complete statement of the facts and representations.

### Investors Savings Bank Pension Plan (the Plan) Located in Milburn, New Jersey

[Application No. D–10989]

### Proposed Exemption

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code, and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted, the restrictions of sections 406(a), 406(b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply to the past sales by the Plan of certain securities (the Securities) to Investors Savings Bank (the Employer), a party in interest with respect to the Plan, provided that the following conditions were satisfied: (1) Each sale was a one-time transaction for cash; (2) the Plan paid no commissions nor other expenses relating to the sales; (3) for each Security that was publicly traded, the Plan received an amount equal to the highest, as of the date of the sale, of (a) the Plan's cost, (b) the book value, or (c) the fair market value of the Security, as determined by an independent, third-party market source; and (4) for each Security that was not publicly traded, the Plan received an amount equal to its cost for the Security, which was in excess of the fair market value of the Security on the date of the sale.

**EFFECTIVE DATE:** The proposed exemption, if granted, will be effective as of January 4, 1999.

**Summary of Facts and Representations**

1. The Plan was a defined benefit plan sponsored by the Employer. As of January 4, 1999, the Plan had approximately 280 participants and 340 beneficiaries. As of that date, the Plan had total assets of approximately $21,500,000. The trustees of the Plan were Patrick J. Grant, Stephen J. Szabatin, Doreen R. Byrnes, and Joseph H. Shepard III, who had responsibility for investment of the Plan's assets. The Plan was terminated in 1999 and its assets transferred to the multiple employer plan administered by the Pentegra Group (Pentegra).

2. Among the assets of the Plan were the Securities. The trustees had purchased the Securities on the open market in the belief that the purchases were consistent with the Plan's investment objectives at the time.[1]

In 1999, the Employer terminated the Plan in the belief that Pentegra can provide more efficient administration at less cost than would be available with a single employer plan. According to the Employer, it purchased the Securities from the Plan in order to facilitate the transfer of the Plan's assets to Pentegra, which wanted the Plan's assets in cash. The Employer represents that the terms of each sale were at least as favorable to the Plan as terms the Plan could have obtained in an arm's length transaction with an unrelated party.

3. The Securities purchased by the Employer from the Plan for cash during the period between January 4, 1999 and February 10, 1999, are listed in the chart below. The Plan's cost for the Securities, and the Employer's purchase price for the Securities, appear in the columns with the headings ''Cost'' and ''Purchase Price,'' respectively.

| Security | Cost | Purchase price | Yield |
|---|---|---|---|
| Federal Nat'l Mortgage Ass'n Bonds | $3,125,135.04 | $4,500,426.98 | 6.91 |
| Federal Home Loan Mortgage Corp. Bonds | 364,879.80 | 629,063.83 | 8.25 |
| Gen'l Nat'l Mortgage Ass'n Certificates | 828,861.30 | 882,198.64 | 8.963 |
| Money Store (2d Mortgages) | 97,099.22 | 97,099.22 | 9.65 |
| U.S. Government Obligations | 300,000.00 | 400,000.00 | 12.21 |

For the Securities that were publicly traded, the Employer paid an amount equal to the closing price for each Security on the previous day, as quoted by Paine Webber's Million Plus trading desk as fair market value for a ''whole lot'' (generally more than one million dollars remaining value). The fair market value was greater than the Plan's cost for these Securities, as demonstrated by the chart above.

With respect to the Money Store Second Mortgages (the Second Mortgages), there was no established market for these Securities (due to the small dollar amount). Thus, the Employer paid an amount equal to the Plan's cost for the Second Mortgages. The Employer represents that KPMG, the Plan's independent auditor, had always carried the Second Mortgages on the Plan's balance sheet at cost, due to their lack of marketability. Further, the Employer represents that the Plan's cost for the Second Mortgages, i.e, $97,099, was the best possible price for the Plan, since the Second Mortgages had been repaid by approximately 80 percent and had an outstanding balance that was significantly less than their face value.

The Plan paid no commissions nor other expenses relating to the sales of the Securities, which represented a significant savings to the Plan in transaction costs. In addition, the Employer represents that the sales of the Securities were in the best interests of the Plan and of its participants and beneficiaries because they facilitated the transfer of Plan assets to the Pentegra multiple employer plan.

4. In summary, the applicant represents that the subject transactions satisfied the statutory criteria for an exemption under section 408(a) of the Act for the following reasons: (1) Each sale of the Securities by the Plan to the Employer was a one-time transaction for cash; (2) the Plan paid no commissions nor other expenses relating to the sales; (3) for each Security that was publicly traded, the Plan received an amount equal to the highest, as of the date of the sale, of (a) the Plan's cost, (b) the book value, or (c) the fair market value of the Security, as determined by an independent, third-party market source; and (4) for each Security that was not publicly traded, the Plan received an amount equal to its cost for the Security, which was in excess of the fair market value of the Security on the date of the sale.

**FOR FURTHER INFORMATION CONTACT:** Ms. Karin Weng of the Department, telephone (202) 693–8540. (This is not a toll-free number.)

**Twin City Iron Workers Apprenticeship and Training Fund (the Trust Fund) Located in St. Paul, Minnesota**

[Application No. L–10929]

**Proposed Exemption**

The Department is considering granting an exemption under the authority of section 408(a) of the Act and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, August 10, 1990). If the exemption is granted, the restrictions of sections 406(a), 406(b)(1) and (b)(2) of the Act shall not apply effective May 22, 2000 to the past purchase of a certain parcel of unimproved real property (the Property) by the Trust Fund from the Twin City Union No. 512 of Bridge, Structural and Ornamental Workers, Inc. (the Building Corporation), a party in interest with respect to the Trust Fund, provided that the following conditions are met:

(a) The purchase of the Property by the Trust Fund was a one-time transaction for cash;

(b) The Trust Fund paid no more than the lesser of: (i) $48,000; or (ii) the fair market value of the Property as determined at the time of the transaction;

(c) The fair market value of the Property was established by an independent, qualified, real estate appraiser that was unrelated to the Building Corporation or any other party in interest with respect to the Trust Fund;

(d) The Trust Fund did not pay any commissions or other expenses with respect to the transaction;

(e) Standard Valuations, Inc. (SVI), acting as an independent, qualified fiduciary for the Trust Fund, determined that the transaction was in

[1] The Department expresses no opinion herein as to whether the acquisition and holding of the Securities by the Plan violated any of the provisions of Part 4 of Title I of the Act. However, the Department notes that section 404(a) of the Act requires, among other things, that a plan fiduciary act prudently and solely in the interest of the plan and its participants and beneficiaries when making investment decisions on behalf of the plan.

the best interest of the Trust Fund and its participants and beneficiaries;

(f) SVI monitored various aspects of the purchase of the Property until closing, including the environmental reports concerning the Property, and took whatever action was necessary to protect the interests of the Trust Fund; and

(g) The purchase price paid by the Trust Fund for the Property represented no more than 25 percent of the Trust Fund's total assets at the time of the transaction.

**Summary of Facts and Representations**

1. The Trust Fund is an apprenticeship training plan, the assets of which are subject to the fiduciary responsibility provisions of Part 4 of Title I of the Act. The Trust Fund is also established and administered pursuant to the provisions of section 302 of the Labor Management Relations Act of 1947. Currently, there are approximately 972 participants and beneficiaries covered by the Trust Fund. As of December 31, 1999, the Trust Fund had total assets of $715,108.76. The Building Corporation is a Minnesota non-profit corporation under the control and supervision of the Twin City Iron Workers Local Union No. 512.

2. The Property is a parcel of unimproved real property located at Lots 10 & 21, Block 5, Winter's Addition to St. Paul, Ramsey County, Minnesota.

The Property is approximately 10,720 square feet. The dimensions of the site are 40 feet by 268 feet. The Property is rectangularly shaped and the topography of the property is generally level and at street grade.

3. The Trust Fund decided to construct a training facility for use by Trust Fund members on a site consisting of several contiguous parcels of real estate owned by the Trust Fund. Certain adjoining lots, however, were owned by the Building Corporation. Construction of a training facility large enough to accommodate current needs of Trust Fund membership required a facility that is larger than that which could be constructed on the parcels of real estate currently owned by the Trust Fund. Economic conditions in the geographic area in which the Trust Fund operates indicated that the need for skilled workers would continue to multiply, thus, making it necessary for the Trust Fund to have a facility which would be able to accommodate current as well as future needs. For example, it was necessary that the Trust Fund secure a storage facility for purpose of housing supplies and equipment necessary for the Trust Fund's programs. To facilitate construction and ultimate management and use of the facility, the Trust Fund determined that all parcels should be owned by a single entity. Ownership by a single entity would encourage administrative efficiency in the construction process, as well as in the ultimate use and operation of the facility. Because the facility would be managed and operated by the Trust Fund, it was desirable that the Trust Fund holds title to the Property. Ownership of the parcels by the Trust Fund would give the Trust Fund full control of the buildings and grounds and would enable the Trust Fund to make improvements to the Property as needed.[2]

4. The Property was appraised by Lisa I. Lang and R. David Lang, Minnesota licensed Certified General Real Property Appraisers of Lang & Associates (the Appraisers), a real estate appraisal firm located in Minnetonka, Minnesota. The Appraisers determined that the fair market value of the Property was approximately $48,000, as of January 10, 2000.

The Appraisers utilized a sales comparison methodology in valuing the Property. The Appraisers compared the Property with recent sales of three other industrial zoned properties, all within immediate and/or competitive market areas of the Property. In order to equate these three transactions with the Property, the Appraisers made adjustments for various comparative factors including appreciation/depreciation over time, location, zoning, frontage/access, off-site improvements, current easements and restrictions, physical characteristics, and size. After making the necessary adjustments, the Appraisers concluded that the unencumbered fee simple interest in the Property would have a fair market value of approximately $48,000. The Appraisers also concluded that an industrial complex, such as the Trust Fund's proposed training facility, would represent the highest and best use of the Property.

5. The Building Corporation, on May 22, 2000, sold the Property to the Trust Fund for $48,000 in cash, subject to the review and approval of an independent fiduciary (see Paragraph 6 below). The parties obtained an updated appraisal of the Property from the Appraisers at the time of the proposed transaction to ensure that the appraised amount (i.e., $48,000) still reflected the fair market value of the Property at that time. The parties have agreed that the $48,000 paid by the Trust Fund represented the fair market value of the Property at the time of the transaction. In addition, the applicant states that the Trust Fund did not pay any commissions, transaction costs, or other expenses associated with the sale of the Property by the Building Corporation, other than the fees necessary for the services of the Trust Fund's independent fiduciary, SVI. Thus, the Building Corporation paid, among other things, the costs of the title search and title insurance premiums, the cost of recording the deeds conveying title to the Property to the Trust Fund, all sales and transfer taxes (including the conveyance tax), the escrow fees, and the cost of the appraisal.

6. SVI was appointed by the Trust Fund Trustees to act as an independent fiduciary for the Trust Fund for the transaction. SVI represents that it is a company organized under the laws of Minnesota and that it exercises fiduciary powers similar to those of national banks. SVI stated that it is an experienced fiduciary in matters concerning Taft-Hartley funds subject to the Act and is also experienced with real estate transactions and investments. SVI acknowledged its duties, responsibilities and liabilities in acting as a fiduciary for the Trust Fund for purposes of the proposed transaction. SVI represents that it is an independent fiduciary and not an affiliate of, or related to, the entities involved in the subject transaction. In this regard, SVI certifies that: (i) Less than one (1) percent of its total deposits, or outstanding loans, are attributable to the deposits of, or loans to, the Building Corporation and its affiliates; and (ii) less than one (1) percent of its annual income (measured on the basis of the prior year's income) comes from business derived from The Building Corporation and its affiliates.

7. SVI has reviewed all of the terms and conditions of the proposed purchase of the Property by the Trust Fund. SVI states that the Appraisers have considered all of the factors necessary to accurately determine the fair market value of the Property, including the applicable zoning restrictions for industrial usage, and the offsite improvements surrounding the Property. Based on this review and

[2] The Department expresses no opinion herein concerning the application of section 404 of the Act to the amount of expenditures and/or the need for construction of a training facility. In this regard, the Department notes that the fact that a transaction is the subject of an exemption under section 408(a) of the Act does not relieve a fiduciary or other party in interest from the general fiduciary responsibility provisions of section 404 of the Act. Section 404(a)(1)(A) and (B) of the Act requires, among other things, that a fiduciary discharge his duties with respect to a plan solely in the interest of the plan's participants and beneficiaries and in a prudent fashion. Accordingly, it is the responsibility of the Trust Fund's fiduciaries to determine the appropriateness of the construction of the facility.

analysis, SVI concluded that the transaction was in the best interests of the Trust Fund and its participants and beneficiaries. In this regard, SVI stated that the purchase of the Property was a prudent transaction taking into consideration that the Trust Fund will be using this site as a training facility. SVI stated that the agreed upon purchase price of $48,000, based on the Appraisers determination of value accurately reflected the fair market value of the Property at the time of the purchase.

SVI stated further that it would monitor the Property and will take whatever actions are necessary to protect the interests of the Trust Fund's participants and beneficiaries with regard to the transaction. To this end, SVI represented that the current appraisal of the Property was updated at the time of the transaction and that the Trust Fund paid no more than the fair market value of the Property. SVI also ensured that the purchase price paid by the Trust Fund represents no more than 25 percent of the Trust Fund's total assets at the time of the transaction.

SVI represents that the Trust Fund will be able to meet all of its current expenses after the transaction and that the transaction has not adversely affected the Trust Fund's liquidity needs. By letter dated May 6, 2000, SVI states it reviewed the essential documents associated with the transaction and determined that the transaction was in the best interest of the Trust Fund and its participants and beneficiaries.

8. In summary, the applicant states that the transaction has satisfied the statutory criteria of section 408(a) of the Act because: (a) The purchase of the Property by the Trust Fund was a one-time transaction for cash; (b) the Trust Fund did not pay more than the fair market value of the Property as determined at the time of the transaction; (c) the fair market value of the Property was established by an independent, qualified real estate appraiser; (d) the Trust Fund did not pay any commissions or other expenses with respect to the transaction, other than the services of an independent fiduciary (as described herein); (e) SVI, acting as the Trust Fund's independent fiduciary, determined that the proposed transaction was in the best interest of the Trust Fund and its participants and beneficiaries; and (f) the purchase price paid by the Trust Fund for the Property represented no more than 25 percent of the Trust Fund's total assets at the time of the transaction.

**EFFECTIVE DATE:** This exemption, if granted, is effective as of May 22, 2000.

*Notice to Interested Persons:* Notice of the proposed exemption shall be given to all interested persons in the manner agreed upon by the applicant and Department within 15 days of the date of publication in the **Federal Register**. Comments and requests for a hearing are due forty-five (45) days after publication of the notice in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** Mr. Khalif I. Ford of the Department, telephone (202) 693–8540. (This is not a toll-free number.)

## Child Health Corporation America (CHCA) Located in Shawnee Mission, KS

[Application No. L–10939]

### Proposed Exemption

The Department is considering granting an exemption under the authority of section 408(a) of the Act and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted, the restrictions of sections 406(a) and 406(b) of the Act shall not apply to the (1) purchase, by a welfare plan (the Plan), whose hospital sponsor (the Hospital) is a member of CHCA, of third party insurance, through CHCA, the broker of record and a party in interest with respect to such Plan; and (2) the receipt of an insurance sales commission by CHCA from the third party insurance company, in connection with the purchase of an insurance policy with the assets of the Plan attributed to participant (*i.e.,* employee) contributions.

This proposed exemption is subject to the following conditions:

(a) The transactions are effected by CHCA in the ordinary course of its business.

(b) Each Plan pays no more than adequate consideration for an insurance policy that is brokered by CHCA.

(c) Prior to the execution of the transactions, CHCA provides each Hospital, which serves as the independent fiduciary of a Plan it sponsors, with the following written documentation:

(1) A statement setting forth the insurance sales commissions, expressed as a percentage of the gross annual premium payments that will be paid by the insurance company to CHCA with respect to the purchase of the insurance policy;

(2) A description of the charges, fees, discounts, penalties or adjustments which may be imposed under the insurance policy in connection with the purchase, holding, exchange, termination or sale of such policy; and

(3) A full description of CHCA's procedure for offsetting a Plan's allocable portion of insurance sales commissions that are received by CHCA and which are attributable to Plan assets against the amounts otherwise payable by such Plan for future premium contributions (the Premium Adjustment; the Premium Adjustment Procedure).

(d) Following the receipt of such information, the Hospital independent fiduciary acknowledges receipt of such information to CHCA, in writing, and approves the transactions on behalf of the respective Plan.

(e) On an annual basis, CHCA discloses all direct expenses it has incurred to independent Plan fiduciaries of its member Hospitals, including any Premium Adjustments that have been made.

(f) The transactions are on terms that are at least as favorable to a Plan as those available in arm's length transactions with an unrelated party.

(g) The combined total of all fees, insurance sales commissions and other consideration received by CHCA in connection with the purchase of insurance policies issued by a third party insurer or the provision of services to a Plan is not in excess of ''reasonable compensation'' within the contemplation of section 408(b)(2) and 408(c)(2) of the Act.

(h) There is no increased cost to a Plan nor any diminution in any benefit received by a Plan participant or beneficiary as a result of CHCA's receipt of insurance sales commissions.

(i) The Plan receives a Premium Adjustment based upon the excess of insurance sales commissions over direct costs, if any, incurred by CHCA, in accordance with the Premium Adjustment Procedure, the steps of which are as follows:

(1) At the end of each calendar year, CHCA separates the total premiums paid between each Hospital and its respective Plan.

(2) CHCA calculates the commissions that are paid based on the premiums.

(3) CHCA calculates the amount available for the patronage dividend by subtracting aggregate direct expenses incurred under its insurance program from the total commissions.

(4) CHCA calculates a breakdown of the commissions on a percentage basis.

(5) CHCA allocates the amounts available for the patronage dividend based upon the percentages determined above in paragraph (i)(4).

(6) CHCA sends a check to the insurer with instructions to allocate such amount on a per Hospital basis to be

applied against a Plan participant's insurance rate schedule.

(7) CHCA requests written confirmation from the insurer that the Premium Adjustment has been made.

(j) CHCA establishes and maintains a system of internal and external accounting controls for the Premium Adjustment Procedure.

(k) CHCA retains an independent auditor to audit, on an annual basis, the Premium Adjustments made to the affected Plans.

(l) Within 90 days following the publication, in the **Federal Register**, of the notice granting the final exemption, CHCA makes full restitution to the participants of each affected Plan whose assets are attributed to CHCA's past fee arrangement with an independent broker (the Independent Broker) and its subsequent compensation arrangement with the UNUM Life Insurance Company (UNUM).

(m) CHCA maintains for a period of six years, in a manner that is accessible for audit and examination, the records necessary to enable the persons described in paragraph (n) to determine whether the conditions of this exemption have been met, except that—

(1) A prohibited transaction will not be considered to have occurred if, due to circumstances beyond the control of CHCA, such records are lost or destroyed prior to the end of such six year period; and

(2) No party in interest, other than CHCA, shall be subject to the civil penalty that may be assessed under section 502(i), or the taxes imposed by section 4975(a) and (b) of the Code, if the records are not maintained, or are not available for examination as required by paragraph (m).

(n)(1) Except as provided in paragraph (n)(2) and notwithstanding anything to the contrary in sections 504(a)(2) and (b) of the Act, the records referred to in paragraph (m) are unconditionally available for examination during normal business hours by—

(A) Any duly authorized employees or representatives of the Department or the Internal Revenue Service;

(B) Any fiduciary of a Plan which has the authority to purchase an insurance policy by or on behalf of a Plan or any duly authorized employee or representative of such fiduciary; and

(C) Any participant or beneficiary of a Plan or any duly authorized employee or representative of such participant or beneficiary.

(2) None of the persons described above in paragraph (n)(1)(B) or (C) shall be authorized to examine the trade secrets of CHCA or commercial or financial information which is privileged or confidential.

**Summary of Facts and Representations**

1. CHCA, a taxable cooperative organization located at 803 West 64th Street, Shawnee Mission, Kansas, is owned by 38 different not-for-profit hospitals. The Hospitals are located in various cities around the United States and they specialize in the medical treatment of children. Each member Hospital owns 2.63 percent of CHCA and no member Hospital is in a position to influence or control the actions of CHCA or the entire Hospital group.[3] (A table showing the Hospitals participating under CHCA's insurance program, the Plans they sponsor and the respective participant totals is presented in the Appendix.)

2. As a cooperative organization, CHCA acts as a purchasing agent and makes products and services, including insurance, available to its member Hospitals at discounted rates. Each Hospital is, however, free to purchase any product or service elsewhere, if it desires. At the end of each year, if CHCA receives a ''profit,'' as confirmed by an independent auditor, it typically pays a patronage dividend to each Hospital.[4] Under such circumstances, CHCA's eleven member Board of Directors, consisting of CHCA's Chief Executive Officer and the Chief Executive Officers of ten member Hospitals, will determine whether such dividend will be paid, the amount, the components (*i.e.,* cash, retained surplus in CHCA, or equity interests in other entities that are associated with CHCA), and the percentage distribution of the dividend amount among the various components.[5]

3. Among the goods and services provided by CHCA are insurance policies, including property and casualty insurance, workers compensation, disability insurance and group life insurance. Many of CHCA's member Hospitals maintain disability plans provided through group disability insurance obtained through CHCA. These Hospitals also maintain group life insurance plans provided through life insurance obtained through CHCA.

The insurance is obtained on a group basis. To allow the Hospitals the benefit of a group rate, CHCA is the master policy holder. Each Hospital is a participating employer in the policy. Thus, CHCA will make a recommendation to the Hospitals on who the ultimate insurance carrier will be and it will establish a relationship the Hospitals may access. The individual Hospitals will then have the sole discretion on whether or not to participate in CHCA's insurance program. CHCA will also exercise discretionary authority regarding the type of insurance to be purchased and made available to its membership.

CHCA notes that the amount of insurance premiums paid by individual member Hospital may be different from that paid by other member Hospitals. In this regard, CHCA explains that some Hospitals may choose to pay all or most of the insurance costs for its employees while others may pass all or a significant portion of the insurance costs on to their employees. Still other Hospitals may choose not to provide any disability and/or life insurance coverage at all.

4. Prior to May 1, 2000, member Hospitals participating in CHCA's insurance program placed insurance through an independent insurance broker with UNUM, a third party insurer.[6] UNUM set the premiums for the insurance and negotiated the commissions to be paid to the Independent Broker. Under this arrangement with the Independent Broker, CHCA acted primarily as a liaison between the Hospitals, the Independent Broker and UNUM. In this regard, between 1998 and May 2000, CHCA received fees from the Independent Broker totaling $1,137,000 for the administrative and marketing services it performed while the Independent Broker received a 7 percent commission.

5. CHCA has obtained a brokerage license to sell insurance and after May 2000, it became the broker of record. Rather than having the commissions paid by UNUM to the Independent Broker, CHCA has been retaining the commissions within the cooperative group in order to increase the cooperative's net profits as well as the amount of the patronage dividend. As a

[3] CHCA is subject to the provisions of Subchapter T of the Code, specifically to Code sections 1381–1388 and section 521 which provides special exemptions for cooperative organizations from taxes.

[4] The profitability or net income of CHCA is defined as revenues less expenses. CHCA represents that its financial records are presented in conformity with Generally-Accepted Accounting Principles.

[5] The Board of Directors also approves the third party insurer, the contract with such insurer and authorizes other business functions. Members of the Board of Directors are not compensated for their services.

[6] UNUM's current financial strength ratings, as denoted by Moody's Standard and Poor's, A.M. Best, and Fitch/Duff & Phelps are ad follows: ''A2'' or ''Good Financial Security'' (Moody's); ''AA'' or ''Very Strong'' (Standard & Poor's); ''A'' or ''Excellent'' (A.M. Best); and ''AA/'' or ''Very Strong'' (Fitch/Duff & Phelps).

consequence, the commissions previously paid to the Independent Broker are currently being paid to CHCA. The amount of the commissions payable to CHCA by UNUM represents 10 percent of the total premiums for disability insurance and 5 percent of the total premiums for life insurance. CHCA states that the commissions are negotiated on an arm's length basis with UNUM and are market-based. CHCA also does not expect that a Plan's costs will be increased by the present arrangement.

6. To provide a direct benefit to Plan participants with respect to the distribution of patronage dividends, CHCA proposes to amend its policy of allocating net income to each of the member Hospitals. Under the contemplated arrangement, CHCA intends to take a portion of the net income attributable to the commissions paid by Plan participants and then transfer such commissions to each Plan in accordance with the Premium Adjustment Procedure described herein. In general, CHCA will make a payment to UNUM, or a successor third party insurance carrier, on behalf of Plan participants to ensure that the participants will benefit from its action. The amount of the Premium Adjustment will represent a *pro rata* portion of the commissions paid by the Plan participants to the commissions paid on the aggregate premium contribution.

More specifically, during its normal year-end patronage dividend calculation, CHCA will make a special allocation for the commission dollars it has received from its current long-term disability and life insurance program (and possibly commission dollars derived from other health and welfare plans in the future). The calculation will then determine the net patronage dividend dollar that pertains to the commissions derived from Plan participant contributions to the overall commission dollars earned by CHCA. The dollar amount will then be paid directly to UNUM and applied as a direct reduction in the rate paid by the Plan participant for future insurance premium contributions.

In effect, CHCA will implement its Premium Adjustment Procedure as follows:

- At the end of each calendar year, CHCA will separate the total premiums paid between each Hospital and its respective Plan.
- CHCA will calculate the commissions that are paid based upon the premiums.
- CHCA will calculate the amount available for the patronage dividend by subtracting the aggregate direct expenses incurred under its insurance program [7] from the total commissions.
- CHCA will calculate a breakdown of the commissions on a percentage basis.
- CHCA will allocate the amounts available for the patronage dividend based upon the percentages determined in the previous step.
- CHCA will send a check to UNUM (or a successor third party insurer) with instructions to allocate such amount on a per Hospital basis that will be applied against a Plan participant's insurance rate schedule.
- CHCA will request written confirmation from UNUM (or the successor third party insurer) that the Premium Adjustment has been made.

(For a further explanation of CHCA's Premium Adjustment Procedure, refer to the example in the Appendix.)

7. CHCA states that the payment of insurance commissions that are attributable to plan assets, the payment of patronage dividends and the Premium Adjustment Procedure may violate certain provisions of sections 406(a) and 406(b) of the Act. In this regard, since a member Hospital will receive a patronage dividend which is derived, in part, from plan assets attributable to insurance commissions paid to CHCA, CHCA is of the view that the purchase of insurance for a Hospital-sponsored, disability or life insurance Plan may be construed as fiduciary self-dealing both on the part of CHCA and a member Hospital in violation of section 406(b)(1) of the Act. In addition, CHCA observes that its actions may further result in the involvement of a member Hospital and thereby be construed as the Hospital's receiving consideration from a party (*i.e.,* CHCA) which has been dealing with a participating Plan in connection with a transaction involving the assets of such Plan, in violation of section 406(b)(3) of the Act.

Accordingly, CHCA requests an administrative exemption from the Department to permit (a) the purchase of third party insurance by a Plan through CHCA, as the broker of record; and (b) the receipt of insurance sales commissions by CHCA from UNUM in connection with such purchase. Further, CHCA represents that within 90 days of publication, in the **Federal Register**, of the notice granting the final exemption, it will make full restitution to the participants of each affected Plan whose assets are attributed to CHCA's past fee arrangement with the Independent Broker and its current insurance brokerage arrangement with UNUM.

CHCA anticipates that the foregoing purchase and insurance brokerage transactions will recur on an annual basis. Although the basic parameters of the transactions will not change from year to year, the amount of the annual premium, the amount of the brokerage commissions and the amount of the patronage dividend are expected to differ.

8. The proposed exemption is subject to a number of safeguards. In pertinent part,

- The transactions will be effected by CHCA in the ordinary course of its business.
- No Plan will pay more than adequate consideration for an insurance policy that is brokered by CHCA.
- Prior to the execution of the transactions covered by the exemption, CHCA will provide each Hospital, which serves as the independent fiduciary of a Plan it sponsors, with written disclosures describing the insurance sales commissions and fees, discounts, penalties or adjustments which may be imposed under the recommended insurance policy in connection with the purchase, holding, exchange, termination or sale of the insurance policy, as well as the Premium Adjustment Procedure.
- Following the receipt of such information, the Hospital fiduciary will acknowledge receipt of such information to CHCA in writing and approve the transactions on behalf of the Plan.
- On an annual basis, CHCA will disclose, in writing, the direct expenses it has incurred to independent Plan fiduciaries of its member Hospitals, including any Premium Adjustments that have been made.
- The transactions will be on terms that are at least as favorable to a Plan as those available in arm's length transactions with an unrelated party.
- The combined total of all fees, commissions and other consideration received by CHCA in connection with the purchase of insurance policies issued by a third party insurer or the provision of services to a Plan has not been and will not be in excess of ''reasonable compensation'' within the

[7] CHCA represents that the ''direct expenses'' associated with its insurance program are those expenses which are unique to CHCA that would not be incurred if the program were not in place. Regulation section 29 CFR 2550.408c–2(b)(3) provides that an expense is not a direct expense to the extent it would have been sustained had the service not been provided or if it represents an allocable portion of overhead costs. Although CHCA represents that it intends to comply with the foregoing regulation, the Department is expressing no opinion herein on whether the expenses identified by CHCA in the operation of its insurance program are ''direct expenses'' as contemplated by the regulation.

contemplation of section 408(b)(2) and 408(c)(2) of the Act.

9. CHCA will establish a system of internal and external accounting controls with respect to the Premium Adjustment Procedure. In this regard, internal audit employees of CHCA will review appropriate records. In addition, CHCA will retain the services of Baird, Kurtz & Dobson, CPA, P.C., an independent accounting firm, to audit, on an annual basis, the Premium Adjustment Procedure. The audits will provide independent verification of the proper crediting of the insurance sales commissions attributed to the assets of the participating Plans. Specifically, the independent auditors will be instructed to (a) review and test compliance with the operational controls established by CHCA for purposes of implementing the Premium Adjustment Procedure; (b) verify, on a test basis, the Premium Adjustments that are made; and (c) recompute, on a test basis, the amounts adjusted at the discretion of the auditors. In the event any shortfalls are uncovered during the course of an audit as a result of errors it has made, CHCA will provide a cash payment to the Plan equal to the amount of the error plus market rate interest for the period of time of the error until the correction is made. Any excess Premium Adjustments will be corrected by corresponding future adjustments in the amount of the excess and will not require that the Plan pay any interest.

10. In summary, it is represented that the transactions will satisfy the statutory criteria for an exemption under section 408(a) of the Act because:

(a) The transactions will be effected by CHCA in the ordinary course of its business.

(b) A Plan will pay no more than adequate consideration for an insurance policy that is brokered by CHCA.

(c) Prior to the execution of the transactions, CHCA will provide each Hospital, serving as the independent fiduciary of the Plan it sponsors, with written disclosures describing the insurance sales commissions and fees, discounts, penalties or adjustments which may be imposed under the insurance policy, including a written description its Premium Adjustment Procedure. Such disclosures will also be approved by the independent Plan fiduciary.

(d) On an annual basis, CHCA will provide independent Plan fiduciaries of its member Hospitals with written disclosures of the direct expenses CHCA has incurred, including any Premium Adjustments that have been made.

(e) The transactions will be on terms that are at least as favorable to a Plan as those available in arm's length transactions with an unrelated party.

(f) The combined total of all fees, commissions and other consideration received by CHCA in connection with the purchase of insurance policies issued by UNUM (or another third party insurer) or the provision of services to a Plan will not be in excess of ''reasonable compensation'' within the contemplation of section 408(b)(2) and 408(c)(2) of the Act.

(g) There will be no increased cost to a Plan nor any diminution in any benefit received by a Plan participant or beneficiary since Plan participants and beneficiaries will receive the same insurance benefits regardless of whether the insurance sales commissions stay within the cooperative group and are used for the payment of patronage dividends to the member Hospitals.

(h) The Plan will receive a Premium Adjustment based upon the excess of insurance commissions over direct costs, if any, incurred by CHCA, in accordance with CHCA's Premium Adjustment Procedure.

(i) CHCA will maintain a system of internal accounting controls with respect to the Premium Adjustment Procedure, and will retain an independent auditor outside of the control of CHCA to audit, on an annual basis, the Premium Adjustments that are made on behalf of the affected Plans.

(k) Within 90 days following the publication, in the **Federal Register**, of the notice granting the final exemption, CHCA will make full restitution to the participants of each affected Plan whose assets are attributed to CHCA's past and continuing compensation arrangements with the Independent Broker and UNUM.

(l) CHCA will maintain, for a period of six years and in a manner that is accessible for audit and examination, written records of the transactions covered by this exemption to enable certain authorized persons to determine whether the conditions of the exemption have been met.

**Notice to Interested Persons**

Notice of the proposed exemption will be provided to participants and beneficiaries in each Plan sponsored by a member Hospital within 30 days after publication of the notice of proposed exemption in the **Federal Register**. The notice will include a copy of the proposed exemption, as published in the **Federal Register**, and a supplemental statement, as required pursuant to 29 CFR 2570.43(b)(2), which shall inform interested persons of their right to comment on and/or to request a hearing with respect to the proposed exemption. Each member Hospital will give notice (a) to active participants in their respective Plans, by posting copies of the proposed exemption and supplemental statement on bulletin boards normally used for employee notices; and (b) to retirees, by forwarding copies of the proposed exemption and supplemental statement, by first-class mail. Comments regarding the proposed exemption will be due within 60 days of the publication of the notice of pendency in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** Ms. Jan D. Broady of the Department, telephone (202) 693–8556. (This is not a toll-free number.)

## Appendix

**A. Table Showing CHCA Hospitals, Plans and Participants Enrolled in CHCA's Insurance Program**

| Hospital | Name of plan | Total participants |
|---|---|---|
| Children's Hospital Medical Center of Akron | Children's Hospital Medical Center of Akron/Flexible Benefits Program. | 6,315 |
| Children's Healthcare of Atlanta | Children's Healthcare of Atlanta Welfare Benefit Plan | 11,831 |
| The Children's Hospital of Alabama | The Children's Hospital of Alabama Group Life Insurance Plan | 7,704 |
| Children's Hospital (Boston) | Group Life, Optional Life, Dependent Life & Weekly Indemnity Plan. | 10,145 |
| | Children's Hospital Long Term Disability Plan | 3,866 |
| The Children's Memorial Hospital (Chicago) | Children's Memorial Hospital Life & LTD Plan | 5,584 |
| Children's Hospital Medical Center (Cincinnati) | Children's Hospital Medical Center Long Term Disability Plan | 3,556 |
| Children's Hospital (Columbus) | Group Life Plan for Employees of Children's Hospital | 7,231 |
| | Group Long Term Disability Plan for Employees of Children's Hospital. | 1,834 |

| Hospital | Name of plan | Total participants |
|---|---|---|
| Driscoll Children's Hospital (Corpus Christi) | R. Driscoll & J. Driscoll & R. Driscoll, Jr. Foundation Plan | 6,658 |
| Children's Medical Center of Dallas | Children's Group Life & Health Insurance Plan | 6,642 |
| The Children's Medical Center (Dayton) | Children's Medical Center Life & Add. Plan | 3,717 |
| The Children's Hospital (Denver) | The Children's Hospital Long Term Disability Plan | 1,473 |
| | The Children's Hospital Life Insurance Plan | 6,919 |
| Cook Children's Medical Center (Ft. worth) | Cook Children's Health Care System Group LTD Plan | 7,968 |
| Texas Children's Hospital (Houston) | Texas Children's Hospital Match Plan | 11,953 |
| Children's Hospital Los Angeles | Children's Hospital Los Angeles Long Term Disability and Group Life Insurance Plans. | |
| St. Jude Children's Research Hospital (Memphis) | St. Jude Children's Research Hospital—Employees' Group Long Term Disability Insurance Plan. | 1,739 |
| Miami Children's Hospital | Miami Children's Hospital Optional Life Plan | 7,106 |
| Children's Hospital of Wisconsin (Milwaukee) | Children's Health System of Wisconsin, Inc. Benefits Plan | 3,795 |
| Children's Hospital (New Orleans) | Children's Hospital Long Term Disability Insurance Plan | 981 |
| Children's Healthcare Services (Omaha) | Children's Hospital Employee Life Insurance Plan | 2,354 |
| | Children's Hospital Group Long Term Disability Plan | 687 |
| | Children's Hospital Employee Life Plan | 2,036 |
| | Children's Healthcare Services Short Term Disability Plan | 124 |
| Phoenix Children's Hospital | Phoenix Children's Hospital Benefits Plan | 1,489 |
| All Children's Hospital (St. Petersburg) | All Children's Health System Life, Accidental Death and Dismemberment Plan. | |
| Children's Hospital and Health Center (San Diego) | All Children's Health System Long Term Disability Plan | |
| Children's National Medical Center (DC) | Children's Life & LTD Plan | 7,244 |

**B. Example Showing CHCA's Rebate Procedure Where the Plan Sponsors and the Participants Pay Their Proportionate Share of the Insurance Premiums**

• *Step 1*—Separate total premiums paid by each employer Hospital and its respective Plan participants.

| Hospital | Hospital-paid premiums | | Participant-paid premiums | |
|---|---|---|---|---|
| | Life | LTD | Life | LTD |
| A | $130,000 | $0 | $110,000 | $0 |
| B | 350,000 | 280,000 | 60,000 | 0 |
| C | 250,000 | 450,000 | 490,000 | 0 |
| D | 250,000 | 300,000 | 250,000 | 0 |
| E | 400,000 | 800,000 | 0 | 0 |
| | 1,380,000 | 1,830,000 | 910,000 | 0 |

• *Step 2*—Calculate the commissions paid to CHCA based on the premiums shown in Step 1. The commission rates are 5% for Life and 10% for LTD insurance.

| Hospital | Commissions based on hospital-paid premiums | | Commissions based on participant-paid premiums | |
|---|---|---|---|---|
| | Life | LTD | Life | LTD |
| A | $6,500 | $0 | $5,500 | $0 |
| B | 17,500 | 28,000 | 3,000 | 0 |
| C | 12,500 | 45,000 | 24,500 | 0 |
| D | 12,500 | 30,000 | 12,500 | 0 |
| E | 20,000 | 80,000 | 0 | 0 |
| | 69,000 | 183,000 | 45,500 | 0 |

• *Step 3*—Calculate the net contribution of the CHCA's Insurance Program.

Total Commissions ($69,000 + $183,000 + $45,500) = $297,500 Direct Expenses Unique to CHCA's Insurance Program = $75,000 ($297,500—$75,000) = $222,500. This is the amount available for the Patronage Dividend. (For purposes of this example, assume that the Patronage Dividend will be in cash and that the adjustment will be in cash.)

• *Step 4*—Calculate the breakdown of the commissions paid by each Hospital and Plan Participants on a percentage basis.

| Hospital | Commission percentages based on hospital-paid premiums % | | Commission percentages based on participant-paid paid premiums % | |
|---|---|---|---|---|
| | Life | LTD | Life | LTD |
| A | 2.18 | 0.00 | 1.85 | 0.00 |
| B | 5.88 | 9.41 | 1.01 | 0.00 |
| C | 4.20 | 15.13 | 8.24 | 0.00 |
| D | 4.20 | 10.08 | 4.20 | 0.00 |
| E | 6.72 | 26.89 | 0.00 | 0.00 |

| Hospital | Commission percentages based on hospital-paid premiums % | | Commission percentages based on participant-paid paid premiums % | |
|---|---|---|---|---|
| | Life | LTD | Life | LTD |
| | 23.18 | 61.51 | 15.30 | 0.00 |

• Step 5—Allocate the amount available for the Patronage Dividend based upon the Step 4 percentages.

| Allocation of patronage dividends to hospital-paid premiums | | | Allocation of patronage dividends to participant-paid premiums | |
|---|---|---|---|---|
| Hospital | Life | LTD | Life | LTD |
| A | $4,851 | $0 | $4,116 | $0 |
| B | 13,083 | 20,937 | 2,247 | 0 |
| C | 9,345 | 33,664 | 18,334 | 0 |
| D | 9,345 | 22,428 | 9,345 | 0 |
| E | 14,952 | 59,830 | 0 | 0 |
| | 51,576 | 136,042 | 34,042 | 0 |

(To compute the Patronage Dividend amount that is attributable to Participant-Paid Premiums for Life Insurance, under Hospital A, the $5,500 commission attributable to Participant-Paid Premiums for Life Insurance is divided by the $297,500 Total Commission payable to CHCA. The quotient, 1.85%, is then multiplied by the $222,500 amount available for the Patronage Dividend to arrive at the product, $4,116. The amounts for Hospitals B–E are also similarly calculated.)

• *Step 6*—CHCA will send a check to the insurance carrier for $34,042 with instructions to allocate the amount on a per Hospital basis that will be applied against the employee Participants' premium rate schedule. CHCA will also request written confirmation from the insurer that the Premium Adjustment has been made.

**General Information**

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest or disqualified person from certain other provisions of the Act and/or the Code, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which, among other things, require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(b) of the Act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) Before an exemption may be granted under section 408(a) of the Act and/or section 4975(c)(2) of the Code, the Department must find that the exemption is administratively feasible, in the interests of the plan and of its participants and beneficiaries, and protective of the rights of participants and beneficiaries of the plan;

(3) The proposed exemptions, if granted, will be supplemental to, and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(4) The proposed exemptions, if granted, will be subject to the express condition that the material facts and representations contained in each application are true and complete, and that each application accurately describes all material terms of the transaction which is the subject of the exemption.

Signed at Washington, DC, this 6th day of August, 2002.

**Ivan Strasfeld,**

*Director of Exemption Determinations, Pension and Welfare Benefits Administration, Department of Labor.*

[FR Doc. 02–20205 Filed 8–8–02; 8:45 am]

BILLING CODE 4510–29–P

## DEPARTMENT OF LABOR

## Pension and Welfare Benefits Administration

**[Prohibited Transaction Exemption 2002–35; Exemption Application No. D–10987]**

## Grant of Individual Exemptions; Metropolitan Life Insurance Company (MetLife)

**AGENCY:** Pension and Welfare Benefits Administration, Labor.

**ACTION:** Grant of individual exemption.

**SUMMARY:** This document contains an exemption issued by the Department of Labor (the Department) from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

A notice was published in the **Federal Register** of the pendency before the Department of a proposal to grant such exemption. The notice set forth a summary of facts and representations contained in the application for exemption and referred interested persons to the application for a complete statement of the facts and representations. The application has been available for public inspection at the Department in Washington, DC. The notice also invited interested persons to submit comments on the requested exemption to the Department. In addition the notice stated that any interested person might submit a written request that a public hearing be held (where appropriate). The applicant has represented that it has complied with the requirements of the notification to interested persons. No requests for a hearing were received by the Department. Public comments were received by the Department as described in the granted exemption.

The notice of proposed exemption was issued and the exemption is being granted solely by the Department because, effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978, 5 U.S.C. App. 1 (1996), transferred the authority of the Secretary of the Treasury to issue exemptions of the type proposed to the Secretary of Labor.

**Statutory Findings**

In accordance with section 408(a) of the Act and/or section 4975(c)(2) of the Code and the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990) and based upon

the entire record, the Department makes the following findings:

(a) The exemption is administratively feasible;

(b) The exemption is in the interests of the plan and its participants and beneficiaries; and

(c) The exemption is protective of the rights of the participants and beneficiaries of the plan.

**Metropolitan Life Insurance Company (MetLife) Located in New York, NY**

[Prohibited Transaction Exemption 2002–35; Exemption Application No. D–10987]

**Exemption**

The restrictions of sections 406(a), 406(b)(1) and (b)(2) and section 407(a) of the Act (or ERISA) and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply, effective January 20, 2000 until May 18, 2000, to (1) the holding, by MetLife Separate Account R.I. (the Separate Account), an index fund managed by MetLife which holds plan assets, of 523 shares of common stock (the Common Shares), issued by the Conning Corporation (Conning), an affiliate of MetLife; (2) the acquisition, by MetLife, of certain certificates, representing 523 shares of cancelled Conning Common Shares (the Cancelled Conning Shares), from the Separate Account, pursuant to the terms of a tender offer (the Tender Offer) and merger agreement; and (3) the delivery of the certificates representing the 523 Cancelled Conning Shares to ChaseMellon Shareholder Services, LLC (the Disbursing Agent), in exchange for certain cash consideration.

This exemption is subject to the following conditions:

(a) The decision by a Plan to invest in the Separate Account was made by a Plan fiduciary which was independent of MetLife and its affiliates.

(b) At all times, the Conning Common Shares represented less than one percent of the assets of the Separate Account and less than one percent of the value of the assets of the ERISA-covered Plans investing therein.

(c) The exchange of the Cancelled Conning Shares by the Separate Account was a one-time transaction for cash.

(d) The Separate Account and the Plans received the fair market value for each Cancelled Conning Share on the date of the exchange.

(e) The consideration received by the Separate Account for its Cancelled Conning Shares was the same consideration that was received by (i) all shareholders who validly tendered their Conning Common Shares pursuant to a Tender Offer and (ii) all holders of Cancelled Conning Shares.

(f) The Separate Account paid no commissions, fees or other expenses with respect to the exchange of the Cancelled Conning Shares for cash.

(g) After the expiration of the Tender Offer and the consummation of the Merger, the Separate Account delivered certificates representing the Cancelled Conning Shares to the Disbursing Agent to exchange with MetLife and its affiliates for cash.

(h) The terms of the exchange were no less favorable to the Separate Account and the Plans than those obtainable in an arm's length transaction engaged in by other similarly-situated holders of the Cancelled Conning Shares.

**EFFECTIVE DATE:** This exemption is effective from January 20, 2000 until May 18, 2000.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption published on May 22, 2002 at 67 FR 36034.

**FOR FURTHER INFORMATION CONTACT:** Ms. Jan D. Broady of the Department, telephone (202) 693–8556. (This is not a toll-free number.)

**The Banc Funds Company, LLC (TBFC) Located in Chicago, IL**

[Prohibited Transaction Exemption 2002–36; Exemption Application No. D–11083]

**Exemption**

*Section I. Covered Transactions*

The restrictions of sections 406(a) and 406(b) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (D) of the Code,[1] shall not apply, effective June 19, 2002, to (1) the purchase or redemption of interests in the Banc Fund VI L.P. (the Partnership) by employee benefit plans (the Plans) investing in the Partnership, where TBFC, a party in interest with respect to the Plans, is the general partner of MidBanc VI, L.P., which is, in turn, the general partner (the General Partner) of the Partnership; (2) the sale, for cash or other consideration, by the Partnership of certain securities that are held as Partnership assets to a party in interest with respect to a Plan participating in the Partnership, where the party in interest proposes to acquire or merge with the portfolio company (the Portfolio Company) that issued such securities; and (3) the payment to the General Partner, by Plans participating in the Partnership, of an incentive fee (the Performance Fee) which is intended to reward the General Partner for the superior performance of investments in the Partnership.

This exemption is subject to the following conditions as set forth below in Section II.

*Section II. General Conditions*

(a) Prior to a Plan's investment in the Partnership, a Plan fiduciary which is independent of TBFC and its affiliates (the Independent Fiduciary) approves such investments on behalf of the Plan.

(b) Each Plan investing in the Partnership has total assets that are in excess of $50 million.

(c) No Plan may invest more than 10 percent of its assets in the Partnership, and the interests held by the Plan may not exceed 25 percent of the assets of the Partnership.

(d) No Plan may invest more than 25 percent of its assets in investment vehicles (*i.e.,* collective investment funds or separate accounts) managed or sponsored by TBFC and/or its affiliates.

(e) Prior to investing in the Partnership, each Independent Fiduciary contemplating investing therein receives a Private Placement Memorandum and its supplement containing descriptions of all material facts concerning the purpose, structure and the operation of the Partnership.

(f) An Independent Fiduciary which expresses further interest in the Partnership receives a copy of the Partnership Agreement describing the organizational principles, investment objective and administration of the Partnership, the manner in which the Partnership interests may be redeemed, the manner in which Partnership assets are to be valued, the duties and responsibilities of the General Partner, the rate of remuneration of the General Partner, and the conditions under which the General Partner may be removed.

(g) If accepted as an investor in the Partnership, the Independent Fiduciary is—

(1) Furnished with the names and addresses of all other participating Plan and non-Plan investors in the Partnership;

(2) Required to acknowledge, in writing, prior to purchasing an interest in the Partnership as a limited partner (the Limited Partner) that such Independent Fiduciary has received copies of such documents; and

(3) Required to acknowledge, in writing, to the General Partner that such fiduciary is independent of TBFC and its affiliates, capable of making an

[1] For purposes of this exemption, references to the provisions of Title I of the Act, unless otherwise specified, refer also to corresponding provisions of the Code.

independent decision regarding the investment of Plan assets, knowledgeable with respect to the Plan in administrative matters and funding matters related thereto, and able to make an informed decision concerning participation in the Partnership.

(h) Each Plan receives the following written disclosures from the General Partner with respect to its ongoing participation in the Partnership:

(1) Within 90 days after the end of each fiscal year of the Partnership as well as at the time of termination, an annual financial report containing a balance sheet for the Partnership as of the end of such fiscal year and a statement of changes in the financial position for the fiscal year, as audited and reported upon by independent, certified public accountants. The annual reports will also disclose the remuneration that has accrued or is paid to the General Partner.

(2) Within 60 days after the end of each quarter (except in the last quarter) of each fiscal year of the Partnership, an unaudited quarterly financial report consisting of at least a balance sheet for the Partnership as of the end of such quarter and a profit and loss statement for such quarter. The quarterly report will also specify the remuneration that is actually paid or accrued to the General Partner.

(3) Such other written information as may be needed by the Plans (including copies of the proposed exemption and grant notice describing the exemptive relief provided herein).

(i) At least annually, the General Partner will hold a meeting of the Partnership, at which time, the Independent Fiduciaries of the participating Plans will have the opportunity to decide on whether the Partnership and/or the General Partner should be terminated as well as discuss any aspect of the Partnership and the agreements promulgated thereunder with the General Partner.

(j) During each year of the Partnership, representatives of the General Partner will be available to confer by telephone or in person with Independent Fiduciaries of participating Plans to discuss matters concerning the Partnership.

(k) The terms of all transactions that are entered into on behalf of the Partnership remain at least as favorable to a Plan investing in the Partnership as those obtainable in arm's length transactions with unrelated parties. In this regard, the valuation of assets in the Partnership that is done in connection with the distribution of any part of the General Partner's Performance Fee will be based upon independent market quotations or (where the same are unavailable) determinations made by an independent appraiser.

(l) In the case of the sale by the Partnership of Portfolio Company securities to a party in interest with respect to a participating Plan that occurs in connection with the acquisition of a Portfolio Company represented in the Partnership's portfolio, the party in interest may not be the General Partner, TBFC, any employer of a participating Plan, or any affiliate thereof, and the Partnership receives the same terms as is offered to other shareholders of a Portfolio Company.

(m) As to each Plan, the total fees paid to the General Partner and its affiliates constitute no more than ''reasonable compensation'' within the meaning of section 408(b)(2) of the Act.

(n) Any increase in the General Partner's Performance Fee is based upon a predetermined percentage of net realized gains minus net unrealized losses determined annually between the date the first contribution is made to the Partnership until the time the Partnership disposes of its last investment. In this regard,

(1) Except as provided below in Section II(o), no part of the General Partner's Performance Fee may be withdrawn before December 31, 2007, which represents the end of the Acquisition Phase for the Partnership, and not until Plans have received distributions equal to 100 percent of their capital contributions made to the Partnership.

(2) Prior to the termination of the Partnership, no more than 75 percent of the Performance Fee credited to the General Partner may be withdrawn by the Partnership.

(3) The debit account established for the General Partner to calculate the Performance Fee (the Performance Fee Account) is credited annually with a predetermined percentage of net realized gains minus net unrealized losses, minus Performance Fee distributions.

(4) No portion of the Performance Fee may be withdrawn if the Performance Fee Account is in a deficit position.

(5) The General Partner repays all deficits in its Performance Fee Account and it maintains a 25 percent cushion in such account prior to receiving any further distribution.

(o) During the Acquisition Phase of the Partnership only,

(1) The General Partner is entitled to take distributions with respect to the Performance Fee in the amount of any income tax liability it or its affiliates become subject to with respect to net capital gains of the Partnership, provided such gains are based upon the sale of Portfolio Company securities that is initiated by a third party in connection with a merger, tender offer or acquisition, and does not involve the exercise of discretion by the General Partner.

(2) The tax distributions are deducted from the Performance Fee.

(3) The General Partner repays to the Partnership any tax refund received to the extent a distribution has been made to such General Partner.

(4) The General Partner provides the Plans with an annual report and accounting of all distributions and repayments attributable to income taxation of the General Partner and its affiliates, including written evidence that the distributions have been utilized exclusively to pay the income tax liability.

(p) The General Partner maintains, for a period of six years, the records necessary to enable the persons described in paragraph (q) of this Section II to determine whether the conditions of this exemption have been met, except that—

(1) A prohibited transaction will not be considered to have occurred if, due to circumstances beyond the control of the General Partner, the records are lost or destroyed prior to the end of the six year period; and

(2) No party in interest other than the General Partner shall be subject to the civil penalty that may be assessed under section 502(i) of the Act, or to the taxes imposed by section 4975(a) and (b) of the Code, if the records are not maintained, or are not available for examination as required by paragraph (q) below.

(q)(1) Except as provided in section (q)(2) of this paragraph and notwithstanding any provisions of subsections (a)(2) and (b) of section 504 of the Act, the records referred to in paragraph (p) of this Section II shall be unconditionally available at their customary location during normal business hours by:

(A) Any duly authorized employee or representative of the Department or the Internal Revenue Service;

(B) Any Independent Fiduciary of a participating Plan or any duly authorized representative of such Independent Fiduciary;

(C) Any contributing employer to any participating Plan or any duly authorized employee representative of such employer; and

(D) Any participant or beneficiary of any participating Plan, or any duly authorized representative of such participant or beneficiary.

(q)(2) None of the persons described above in subparagraphs (B)–(D) of this paragraph shall be authorized to examine the trade secrets of the General Partner or TBFC or commercial or financial information which is privileged or confidential.

*Section III. Definitions*

For purposes of this exemption,

(a) The term ''TBFC'' means The Banc Funds Company, LLC and any affiliate of TBFC as defined in paragraph (b) of Section III.

(b) An ''affiliate'' of TBFC includes —

(1) Any person directly or indirectly through one or more intermediaries, controlling, controlled by, or under common control with TBFC.

(2) Any officer, director or partner in such person, and

(3) Any corporation or partnership of which such person is an officer, director or a 5 percent partner or owner.

(c) The term ''control'' means the power to exercise a controlling influence over the management or policies of a person other than an individual.

(d) An ''Independent Fiduciary'' is a Plan fiduciary which is independent of TBFC and its affiliates and is either a Plan administrator, trustee, named fiduciary, as the recordholder of the Limited Partner's interest in the Partnership or an investment manager.

(e) The term ''Portfolio Companies'' include commercial banks and other depository institutions such as savings banks, savings and loan associations, holding companies controlling those entities, and companies providing financial services in the United States, which include, but are not limited to, consumer finance companies and demutualizing life insurance companies.

(f) The term ''net realized gains'' refers to the excess of realized gains over realized losses.

(g) The term ''net realized losses'' refers to the excess of realized losses over realized gains.

(h) The term ''net unrealized losses'' refer to the excess of unrealized losses over unrealized gains.

(i) The term ''net unrealized gains'' refers to the excess of unrealized gains over unrealized losses. For a gain or loss to be ''realized,'' an asset of the Partnership must be sold for more than or less than its acquisition price. For a gain or loss to be ''unrealized,'' the Partnership asset must increase or decrease in value but not be sold.

**EFFECTIVE DATE:** This exemption is effective as of June 19, 2002.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption published on June 6, 2002 at 67 FR 39053.

**Written Comments**

The Department received one written comment with respect to the proposed exemption and no requests for a public hearing. The comment, which was submitted by TBFC, requests that the exemption be made effective as of June 19, 2002 since a preliminary closing occurred on that date. In response to the TBFC's comment, the Department has made the final exemption effective as of the June 19, 2002 closing date.

Accordingly, after giving full consideration to the entire record, including the comment, the Department has determined to grant the exemption as modified above. For further information regarding the comment and other matters discussed herein, interested persons are encouraged to obtain copies of the exemption application file (Exemption Application No. D–11083) the Department is maintaining in this case. The complete application file, as well as the comment and all supplemental submissions received by the Department, are made available for public inspection in the Public Disclosure Room of the Pension and Welfare Benefits Administration, Room N–1513, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210.

**FOR FURTHER INFORMATION CONTACT:** Ms. Jan D. Broady of the Department, telephone (202) 693–8556. (This is not a toll-free number.)

**General Information**

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest or disqualified person from certain other provisions to which the exemption does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(B) of the Act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) This exemption is supplemental to and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transactional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(3) The availability of this exemption is subject to the express condition that the material facts and representations contained in the application accurately describes all material terms of the transaction which is the subject of the exemption.

Signed at Washington, DC, this 6th day of August, 2002.

**Ivan Strasfeld,**

*Director of Exemption Determinations, Pension and Welfare Benefits Administration, Department of Labor.*

[FR Doc. 02–20204 Filed 8–8–02; 8:45 am]

**BILLING CODE 4510–29–P**

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

**[Notice (02–093)]**

## NASA Advisory Council, Pioneer Revolutionary Technology Subcommittee; Meeting

**AGENCY:** National Aeronautics and Space Administration (NASA).

**ACTION:** Notice of meeting.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, Public Law 92–463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Aerospace Technology Advisory Committee (ATAC), Pioneer Revolutionary Technology Subcommittee (PRTS).

**DATES:** Wednesday, September 4, 2002, 8:30 a.m. to 5:30 p.m.; and Thursday, September 5, 2002, 8:30 a.m. to 12:30 p.m.

**ADDRESSES:** National Aeronautics and Space Administration, Room 6H46, 300 E Street, SW, Washington, DC 20546.

**FOR FURTHER INFORMATION CONTACT:** Ms. Mary-Ellen McGrath, Office of Aerospace Technology, National Aeronautics and Space Administration, Washington, DC 20546–0001, 202/358–4729.

**SUPPLEMENTARY INFORMATION:** The meeting will be open to the public up to the seating capacity of the room. The agenda for the meeting is as follows:

—Quality Review Process
—General Description of Program
—Actions from ATAC and NASA's Response

—Technology Investment Design Tool
—University Research Enterprise Technology Initiatives

It is imperative that the meeting be held on these dates to accommodate the scheduling priorities of the key participants.

Dated: August 1, 2002.

**Sylvia K. Kraemer,**

*Advisory Committee Management Officer, National Aeronautics and Space Administration.*

[FR Doc. 02–20215 Filed 8–8–02; 8:45 am]

BILLING CODE 7510–01–P

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

## [Notice (02–094)]

## NASA Advisory Council, Advanced Space Transportation Subcommittee; Meeting

**AGENCY:** National Aeronautics and Space Administration (NASA).

**ACTION:** Notice of meeting.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, Public Law 92–463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Aerospace Technology Advisory Committee (ATAC), Advanced Space Transportation Subcommittee (ASTS).

**DATES:** Tuesday, September 10, 2002, 12:30 p.m. to 5 p.m.; and Wednesday, September 11, 2002, 9 a.m. to 12:30 p.m.

**ADDRESSES:** National Aeronautics and Space Administration, Room 9H40, 300 E Street, SW., Washington, DC 20546.

**FOR FURTHER INFORMATION CONTACT:** Ms. Mary-Ellen McGrath, Office of Aerospace Technology, National Aeronautics and Space Administration, Washington, DC 20546–0001, 202/358–4729.

**SUPPLEMENTARY INFORMATION:** The meeting will be open to the public up to the seating capacity of the room. The agenda for the meeting is as follows:

—Overview of Space Launch Initiative (SLI)
—Integrated Space Transportation Plan (ISTP) Update
—SLI Lesson Learned
—Review of SLI Partnerships
—SLI Technology Development
—Composite vs. Metallic Fuel Tanks

It is imperative that the meeting be held on these dates to accommodate the scheduling priorities of the key participants.

Dated: August 1, 2002.

**Sylvia K. Kraemer,**

*Advisory Committee Management Officer, National Aeronautics and Space Administration.*

[FR Doc. 02–20216 Filed 8–8–02; 8:45 am]

BILLING CODE 7510–01–P

## NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

## Records Schedules; Availability and Request for Comments

**AGENCY:** National Archives and Records Administration (NARA).

**ACTION:** Notice of availability of proposed records schedules; request for comments.

**SUMMARY:** The National Archives and Records Administration (NARA) publishes notice at least once monthly of certain Federal agency requests for records disposition authority (records schedules). Once approved by NARA, records schedules provide mandatory instructions on what happens to records when no longer needed for current Government business. They authorize the preservation of records of continuing value in the National Archives of the United States and the destruction, after a specified period, of records lacking administrative, legal, research, or other value. Notice is published for records schedules in which agencies propose to destroy records not previously authorized for disposal or reduce the retention period of records already authorized for disposal. NARA invites public comments on such records schedules, as required by 44 U.S.C. 3303a(a).

**DATES:** Requests for copies must be received in writing on or before September 23, 2002. Once the appraisal of the records is completed, NARA will send a copy of the schedule. NARA staff usually prepare appraisal memorandums that contain additional information concerning the records covered by a proposed schedule. These, too, may be requested and will be provided once the appraisal is completed. Requesters will be given 30 days to submit comments.

**ADDRESSES:** To request a copy of any records schedule identified in this notice, write to the Life Cycle Management Division (NWML), National Archives and Records Administration (NARA), 8601 Adelphi Road, College Park, MD 20740–6001. Requests also may be transmitted by FAX to 301–837–3698 or by e-mail to *records.mgt@nara.gov.* Requesters must cite the control number, which appears in parentheses after the name of the agency which submitted the schedule, and must provide a mailing address. Those who desire appraisal reports should so indicate in their request.

**FOR FURTHER INFORMATION CONTACT:** Larry Baume, Acting Director, Life Cycle Management Division (NWML), National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740–6001. Telephone: 301–837–1505. E-mail: *records.mgt@nara.gov.*

**SUPPLEMENTARY INFORMATION:** Each year Federal agencies create billions of records on paper, film, magnetic tape, and other media. To control this accumulation, agency records managers prepare schedules proposing retention periods for records and submit these schedules for NARA's approval, using the Standard Form (SF) 115, Request for Records Disposition Authority. These schedules provide for the timely transfer into the National Archives of historically valuable records and authorize the disposal of all other records after the agency no longer needs them to conduct its business. Some schedules are comprehensive and cover all the records of an agency or one of its major subdivisions. Most schedules, however, cover records of only one office or program or a few series of records. Many of these update previously approved schedules, and some include records proposed as permanent.

No Federal records are authorized for destruction without the approval of the Archivist of the United States. This approval is granted only after a thorough consideration of their administrative use by the agency of origin, the rights of the Government and of private persons directly affected by the Government's activities, and whether or not they have historical or other value.

Besides identifying the Federal agencies and any subdivisions requesting disposition authority, this public notice lists the organizational unit(s) accumulating the records or indicates agency-wide applicability in the case of schedules that cover records that may be accumulated throughout an agency. This notice provides the control number assigned to each schedule, the total number of schedule items, and the number of temporary items (the records proposed for destruction). It also includes a brief description of the temporary records. The records schedule itself contains a full description of the records at the file unit level as well as their disposition. If NARA staff has prepared an appraisal

memorandum for the schedule, it too includes information about the records. Further information about the disposition process is available on request.

**Schedules Pending**

1. Department of the Army, Office of the Chief of Engineers (N1–77–00–1, 1 item, 1 temporary item). Records relating to military construction projects, 1951–1973. Included are correspondence, directives authorization forms, drawings, transmittals, and related records created and maintained by branches and branch sections of the Construction Division and the Engineering Division of the Directorate of Military Construction.

2. Department of the Army, Office of the Chief of Engineers (N1–77–02–1, 5 items, 5 temporary items). Records of the Miami Engineer District relating to the Airport Development Program, ca. 1942–1948, including military construction and contract files, engineering and operation files, and project data files; hydraulic and hydrologic data, 1967–1969, and unannotated aerial photographs, 1946–1959.

3. Department of the Army, Agency-wide (N1–AU–02–24, 7 items, 7 temporary items). Records relating to attorney standards of conduct and legal office mismanagement. Included are complaints, requests for inquiries, reports, opinions, correspondence, memoranda, and records of actions taken. Also included are electronic copies of documents created using electronic mail and word processing. This schedule authorizes the agency to apply the proposed disposition instructions to any recordkeeping medium.

4. Department of Defense, Office of the Secretary of Defense (N1–330–02–1, 4 items, 2 temporary items). Source records and reports relating to the Gulf War Comprehensive Clinical Evaluation Program Automated Information System. Records document medical evaluations of Department of Defense personnel, beneficiaries, and others who report having a medical problem as a result of possible exposure to hazardous substances during the 1991 Persian Gulf War. Included are downloaded patient referral records and demographic data about participants, along with outputs consisting of aggregated participant data and other reports. The electronic master file and system documentation are proposed for permanent retention.

5. Department of Defense, Defense Commissary Agency (N1–506–02–4, 90 items, 90 temporary items). Records relating to quality assurance, security, and safety activities. Included are records relating to such matters as food safety guidance and inspection standards, designation of security officials, alarm systems testing, security briefings, security awareness and training, safety hazards studies, accident analyses, hazardous chemical inventories, industrial hygiene and occupational health surveillance, and hazard abatement. Also included are electronic copies of documents created using electronic mail and word processing. This schedule authorizes the agency to apply the proposed disposition instructions to any recordkeeping medium.

6. Department of Justice, Federal Bureau of Investigation (N1–65–02–2, 2 items, 2 temporary items). Headquarters and field office records documenting the administration of the FBI alias and false identification program. Also included are electronic copies of documents created using electronic mail and word processing.

7. Department of Justice, Federal Bureau of Investigation (N1–65–02–3, 2 items, 2 temporary items). Field office copies of Treasury Department Suspicious Activity Reports which do not result in any FBI action. Also included are electronic copies of documents created using electronic mail and word processing.

8. Department of Justice, Bureau of Prisons (N1–129–02–1, 11 items, 10 temporary items). Records relating to education and vocational training. Included are chronological files, congressional correspondence, institutional files, operations and administration files, policy waiver files, program review reports, program statement working files, subject reference files, training files, and electronic copies of documents created using electronic mail and word processing. Recordkeeping copies of education annual reports are proposed for permanent retention.

9. Department of Justice, Bureau of Prisons (N1–129–02–2, 12 items, 9 temporary items). Records of the Industrial, Education, and Vocational Training Corporate Business Group consisting of assistant director's office subject files, deputy assistant directors' office subject files, inmate accident compensation files, subject reference files, customer relations files, ombudsman's reports, waiver appeals case files, and waiver logs. Also included are electronic copies of documents created using electronic mail and word processing. Recordkeeping copies of files relating to public works and community service, minutes of meetings of the Board of Directors, and hearing transcripts of the Board of Directors are proposed as permanent.

10. Administrative Office of the U.S. Courts, Office of the General Counsel (N1–116–02–2, 5 items, 5 temporary items). Legal precedent reference files, tort claims files, and citizen and prisoner correspondence. Also included are electronic copies of documents created using electronic mail and word processing. Notice of this schedule was previously published in the **Federal Register**. However, changes made during the appraisal process have necessitated publication of a revised notice.

11. Environmental Protection Agency, Office of Air and Radiation (N1–412–02–8, 4 items, 2 temporary items). Textual and electronic inputs into the Certification and Fuel Economy Information System, an electronic system used to store information submitted by automobile manufacturers, testing labs, and agency analysts. Proposed for permanent retention are the electronic data and the related system documentation.

12. Export-Import Bank of the United States, Agency-wide (N1–275–02–1, 20 items, 9 temporary items). Records relating to operational activities of the Export-Import Bank. Included are such records as transaction files, working papers of board members, administrative law group reference files, and copies of speeches made by officials other than board members. Also included are electronic copies of documents created using electronic mail and word processing. Proposed for permanent retention are recordkeeping copies of such files as minutes of meetings of the full board, board member speeches and correspondence, advisory committees records, credit and risk committee records, general counsel legal opinions, records relating to financial institutions, press releases, and country risk analyses.

13. Federal Emergency Management Agency, Office of Financial Management (N1–311–01–8, 3 items, 3 temporary items). Files relating to non-disaster related grants documenting their establishment, administration, and evaluation, including electronic copies of documents created using electronic mail and word processing.

14. General Services Administration, Federal Bridge Contract Authority (N1–352–02–1, 26 items, 26 temporary items). Records pertaining to the Federal Bridge Certification Authority, an information system designed to unify individual agency certification authorities into a systematic overall Federal Public Key Infrastructure. Included are records relating to such

matters as certificate policy, system configuration, revocation requests, system backups, compliance attestations, and audits. Also included are electronic copies of documents created using electronic mail and word processing.

15. Office of Government Ethics, Program Review Division (N1–522–02–1, 5 items, 4 temporary items). Records documenting the government-wide single-issue review process. Records include questionnaires and surveys, electronic data, work papers, and electronic copies of records created using electronic mail and word processing. Recordkeeping copies of final reports are proposed for permanent retention.

16. Office of Personnel Management, Agency-wide (N9–478–02–2, 2 items, 2 temporary items). Electronic copies of records created using electronic mail and word processing that relate to administrative services. Included are electronic copies of records pertaining to such subjects as procurement, space management, building maintenance, property management, transportation, and mail distribution. Recordkeeping copies of these files are included in the Administrative Services Section of the OPM Administrative Manual Supplement. This schedule does not include descriptions of records at the file series level, but, instead, provides citations to the agency's Administrative Manual Supplement. To facilitate review of this schedule, NARA will provide the Administrative Services Section of the manual to requestors.

17. Office of Personnel Management, Agency-wide (N9–478–02–7, 2 items, 2 temporary items). Electronic copies of records created using electronic mail and word processing that relate to employee development and utilization. Included are electronic copies of records pertaining to such subjects as inter-agency training agreements and training programs. Recordkeeping copies of these files are included in the Employee Development and Utilization Section of the OPM Administrative Manual Supplement. This schedule does not include descriptions of records at the file series level, but, instead, provides citations to the agency's Administrative Manual Supplement. To facilitate review of this schedule, NARA will provide the Employee Development and Utilization Section of the manual to requestors.

18. Office of Personnel Management, Agency-wide (N9–478–02–12, 2 items, 2 temporary items). Electronic copies of records created using electronic mail and word processing that relate to the Government-wide examination and recruiting program. Included are electronic copies of records pertaining to such subjects as test material, examination announcements, and applicant data sheets. Recordkeeping copies of these files are included in the Executive Personnel Section of the OPM Administrative Manual Supplement. This schedule does not include descriptions of records at the file series level, but, instead, provides citations to the agency's Administrative Manual Supplement. To facilitate review of this schedule, NARA will provide the Executive Personnel Section of the manual to requestors.

19. Office of Personnel Management, Agency-wide (N9–478–02–14, 2 items, 2 temporary items). Electronic copies of records created using electronic mail and word processing that relate to insurance benefits. Included are electronic copies of records pertaining to the Federal employee group life and health insurance program and related accounting activities and claims. Recordkeeping copies of these files are included in the Insurance Section of the OPM Administrative Manual Supplement. This schedule does not include descriptions of records at the file series level, but, instead, provides citations to the agency's Administrative Manual Supplement. To facilitate review of this schedule, NARA will provide the Insurance Section of the manual to requestors.

20. Office of Personnel Management, Agency-wide (N9–478–02–16, 2 items, 2 temporary items). Electronic copies of records created using electronic mail and word processing that relate to implementation of the Intergovernmental Personnel Act. Included are electronic copies of records pertaining to such subjects as grant-in-aid cases, state programs, surveys on quantitative and qualitative reviews, and assignment agreements. Recordkeeping copies of these files are included in the Intergovernmental Personnel Program Section of the OPM Administrative Manual Supplement. This schedule does not include descriptions of records at the file series level, but, instead, provides citations to the agency's Administrative Manual Supplement. To facilitate review of this schedule, NARA will provide the Intergovernmental Personnel Program Section of the manual to requestors.

21. Office of Personnel Management, Agency-wide (N9–478–02–18, 2 items, 2 temporary items). Electronic copies of records created using electronic mail and word processing that relate to internal personnel administration. Included are electronic copies of records associated with such files as official personnel folders, offers of appointment, eligibility records, statistical reports, and performance evaluations. Recordkeeping copies of these files are included in the Personnel Section of the OPM Administrative Manual Supplement. This schedule does not include descriptions of records at the file series level, but, instead, provides citations to the agency's Administrative Manual Supplement. To facilitate review of this schedule, NARA will provide the Personnel Section of the manual to requestors.

Dated: August 5, 2002.

**Michael J. Kurtz,**

*Assistant Archivist for Record Services—Washington, DC.*

[FR Doc. 02–20164 Filed 8–8–02; 8:45 am]

BILLING CODE 7515–01–P

## NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

### National Endowment for the Humanities; Solicitation of Public Comments on Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by the National Endowment for the Humanities

**AGENCY:** National Endowment for the Humanities.

**ACTION:** Notice and Request for public comment.

**SUMMARY:** The National Endowment for the Humanities (NEH) announces that its draft Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by the National Endowment for the Humanities have been posted on its Web site, *www.neh.gov.* NEH invites public comments on its draft Guidelines and will consider the comments received in developing its final Guidelines.

**DATES:** Comments are due on or before September 9, 2002. Final Guidelines are to be published by October 1, 2002.

**ADDRESSES:** Submit comments to the Office of General Counsel, National Endowment for the Humanities, 1100 Pennsylvania Avenue, NW, Washington, DC 20506, *gencounsel@neh.gov.*

**FOR FURTHER INFORMATION CONTACT:** Daniel Schneider, General Counsel, telephone 202–606–8322, *gencounsel@neh.gov.* Hearing-impaired individuals may contact NEH by TDD/TTY at 202–606–8338.

**SUPPLEMENTARY INFORMATION:** Section 515 of the Treasury and General Government Appropriations Act for FY

2001 (Pub. L. 106–554) requires each Federal agency to publish guidelines for ensuring and maximizing the quality, objectivity, utility, and integrity of the information it disseminates. Agency guidelines must be based on government-wide guidelines issued by the Office of Management and Budget (OMB). In compliance with this statutory requirement and OMB instructions, NEH has posted its draft Information Quality Guidelines on its Web site (*www.neh.gov*).

The Guidelines describe the agency's procedures for ensuring the quality of information that it disseminates and the procedures by which an affected person may obtain correction of information disseminated by NEH that does not comply with the Guidelines. NEH invites public comments on its draft Guidelines and will consider the comments received in developing its proposed final Guidelines, which must be submitted to OMB for review. The agency's final Guidelines are to be published by October 1, 2002. Persons who cannot access the draft Guidelines through the Internet may request a paper or electronic copy by contacting the Office of the General Counsel.

**Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by the National Endowment for the Humanities**

These *Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by the National Endowment for the Humanities* are prepared under the Treasury and General Government Appropriations Act for Fiscal Year 2001, Section 515(b), and are designed to ensure and maximize the quality, objectivity, utility and integrity of information disseminated by NEH.

*1. Scope*

These guidelines apply to information whose dissemination is initiated or sponsored by the National Endowment for the Humanities on or after October 1, 2002, regardless of when the information was first disseminated. The types of information dissemination that *are covered* by these guidelines include the following:

- Statistics and data about national conditions in the humanities produced by this agency or its contractors.
- Analytical studies about national conditions in the humanities produced by this agency or its contractors.
- Information such as annual NEH Performance Reports presented to Congress and intended to be released simultaneously to the public.

The types of information dissemination that *are not covered* by these guidelines include the following:

- Distribution intended to be limited to government employees, agency contractors, or grantees.
- Intra- or inter-agency use or sharing of government information.
- Responses to requests for agency records under the Freedom of Information Act, the Privacy Act, the Federal Advisory Committee Act or other similar law.
- Correspondence with individuals or persons.
- Press releases, fact sheets, press conferences or similar communications in any medium that announce, support the announcement or give public notice of information NEH has disseminated elsewhere.
- Archival records.
- Congressional submissions not intended to be released simultaneously to the public.
- Public filings, subpoenas or adjudicative processes.
- Public information about basic agency operations and grant programs.
- Opinions when the presenter makes it clear what is being offered are neither objective facts nor views that the agency endorses as its own.
- Scholarship, education materials and curricula, or humanities programs for the public distributed by agency grantees, contractors, or employees that are clearly identified as not representing an official position of the National Endowment for the Humanities. It is the policy of this agency that information disseminated by grantees, contractors, or employees not specifically authorized to represent an official NEH position will be accompanied by the following disclaimer statement: ''All opinions, findings, conclusions, or recommendations expressed in this (publication) (program) (exhibition) do not necessarily represent those of the National Endowment for the Humanities.''

*2. Ensuring and Maximizing Information Quality*

The National Endowment for the Humanities awards grants in support of teaching, scholarship, and programs for the general public in history, literature, language, philosophy, and other disciplines of the humanities. The results of humanities activities supported by the Endowment are disseminated, with or without NEH support, to students and teachers, the scholarly community, and the general public in a multitude of formats and contexts, including school and college curricula; study opportunities for teachers; scholarly journal articles and monographs; data bases, websites, and other digital formats; museum exhibitions; and programs for television and radio. Project proposals submitted to the Endowment are subjected to an exacting and highly selective process of peer review before any funding is awarded. Although the Endowment takes great care to select only the most meritorious project proposals for funding, NEH grantees and contractors are wholly responsible for conducting their project activities and preparing the results for public distribution unless specifically authorized to represent information on behalf of the agency.

*3. Objectivity*

It is the policy of the National Endowment for the Humanities to ensure the objectivity of all information that this agency disseminates to the public. So that disseminated information is reliably accurate, clear, complete, and unbiased, the Endowment is implementing a multidimensional information quality strategy that includes the following: identifying the sources of information, grounding every information product in reliable data and sound analytical techniques, providing an appropriately full context for information, and carefully reviewing each information product before releasing it to the public.

The Endowment is tasked by its authorizing legislation to ''develop a practical system of national information and data collection on the humanities, scholars, educational and cultural groups, and their audiences.'' In fulfillment of this Congressional mandate, NEH designs, supports, and directs a variety of data collection and research projects, including periodic surveys. NEH-sponsored data collection projects are contracted and conducted using methodologies that are consistent with generally accepted professional standards, including the statistical standards and practices developed by the Federal Committee on Statistical Methodology, the guidelines and policies set forth in the Paperwork Reduction Act, and other regulations related to the conduct of surveys.

NEH does not normally disseminate ''influential scientific, financial, or statistical information'' of the kind defined in OMB's quality guidelines as likely to ''have a clear and substantial impact on important public policies or important private sector decisions.'' Nor are data-gathering projects or analytical studies conducted by the Endowment likely to become the basis of federal

rulings that have the force and effect of law. Consequently, the most stringent OMB quality standards for transparency of documentation and reproducibility of results are unlikely to apply to the dissemination of information by the National Endowment for the Humanities. Nevertheless, NEH is committed to ensuring that data-gathering projects and analytical studies conducted by the Endowment or on its behalf comply with generally accepted disciplinary and professional standards with respect to the transparency of documentary sources and research methods. It is the Endowment's policy to document the data sources, quantitative methods and assumptions, and checks that support any analytical results produced and disseminated by this agency so that appropriately qualified members of the public will be adequately informed to make an independent judgment of their validity.

As part of its data gathering function, the Endowment also prepares information products using data produced or maintained by other federal agencies, non-profit organizations, foreign governments, and international organizations. All external data are reviewed for relevance and are properly sourced and cited. Known limitations of the external data are clearly stated.

*4. Utility*

The Endowment is committed to ensuring the usefulness for its intended audience of the information that this agency disseminates. Data gathering projects such as surveys are designed and developed in conformity with the requirements of the Paperwork Reduction Act and after consultation with a variety of data consumers and stakeholders, including other federal agencies, professional societies, and nonprofit organizations. As appropriate, analytical studies are reviewed prior to publication by experts outside the agency.

*5. Integrity*

NEH has been a leader in the national effort to develop standards and best practices for the creation, dissemination, and maintenance of access to humanities materials in digital formats. Moreover, the Endowment is committed to ensuring that its own computer data systems are secure against unauthorized access or revision, compromise of confidentiality, and inadvertent corruption. The Endowment's system of information security controls include sound practices that have been recognized as responsive to the requirements of the Government Information Security Reform Act (GISRA).

NEH is subject to a variety of statutory requirements to protect information that the agency gathers and maintains. These requirements are set forth in the following:

- Privacy Act of 1974;
- Computer Security Act of 1987;
- OMB Circulars A–123, A–127, and A–130;
- Government Information Security Reform Act; and
- Federal Managers' Financial Integrity Act of 1982.

*6. Information Correction Mechanism*

Persons affected by the public dissemination of information initiated or sponsored by the National Endowment for the Humanities may request correction of any such information that they believe does not comply with the above Information Quality Guidelines, or with the broader guidelines issued by OMB. Affected persons are those who may benefit or be harmed by NEH-disseminated information.

To facilitate citizen review, affected persons may seek and obtain, where appropriate, timely correction of information maintained and disseminated by NEH that does not comply with OMB or NEH guidelines.

a. Requests for correction should be sent in writing, by mail, fax, or email to: Information Quality, National Endowment for the Humanities, Room 403, 1100 Pennsylvania Avenue, NW., Washington, DC 20506. 202–606–8428. *osp@neh.gov.*

b. The request should clearly identify the information asserted to be incorrect, including the name of the publication or other source of information, the date of issuance, and a detailed description of the information to be corrected. The request should state specifically why the information should be corrected and suggest specific changes.

c. The request should include the requester's name, mailing address, fax number, email address, and telephone number. NEH needs this information to respond to the request and to contact the requester as necessary.

d. If a request does not reasonably describe the information asserted to be incorrect, NEH may request additional information.

The Endowment's Assistant Chairman for Planning and Operations has been designated NEH Information Quality Official. The Information Quality Official will coordinate an objective review of all valid complaints. Valid complaints are defined as neither frivolous nor made in bad faith. An objective review is understood as one conducted independently of the NEH programmatic office that originated the information at issue.

NEH will generally notify the requester of the agency decision on whether and how any corrections will be made within 30 business days of receipt of the request. If the requester does not agree with the agency's decision regarding corrective action, the requester may file for reconsideration by the Chairman within 30 days of NEH's decision. Such reconsideration requests will generally be resolved within 45 business days.

On an annual fiscal-year basis, NEH will submit a report to the Director of OMB providing information (both quantitative and qualitative, where appropriate) on the number and nature of complaints received by NEH regarding agency compliance with these guidelines and how such complaints were resolved. NEH will submit these reports no later than January 1 of each following year, with the first report due January 1, 2004.

Dated: August 6, 2002.

For the National Endowment for the Humanities.

**Daniel Schneider,**

*General Counsel.*

[FR Doc. 02–20188 Filed 8–8–02; 8:45 am]

BILLING CODE 7536–01–P

## NUCLEAR REGULATORY COMMISSION

**[Docket No. 50–461]**

## Amergen Energy Company, LLC; Notice of Partial Withdrawal of Application for Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has granted the request of AmerGen Energy Company, LLC (the licensee), to withdraw part of its May 21, 2001, application for proposed amendment to Facility Operating License No. NPF–62 for the Clinton Power Station, Unit No. 1, located in DeWitt County, Illinois.

The amendment application proposed revising the Technical Specifications to allow alternate actions if the refueling equipment interlocks become inoperable and to increase the frequency of the refueling equipment interlock inputs channel functional test from 7 to 31 days. In partial response to the licensee's request, the NRC staff issued an amendment dated April 4, 2002, approving the alternate actions if the refueling equipment interlocks become inoperable. The request to revise the

frequency of the refueling equipment interlock inputs channel functional test was not addressed in that license amendment.

The Commission had previously issued a Notice of Consideration of Issuance of Amendment published in the **Federal Register** on December 26, 2001 (66 FR 66463). However, by letter dated July 16, 2002, the licensee withdrew the portion of the proposed change pertaining to the channel functional test frequency.

For further details with respect to this action, see the application for amendment dated May 21, 2001, the license amendment dated April 4, 2002, and the licensee's letter dated July 16, 2002, which withdrew part of the application for license amendment. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management Systems (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, *http://www.nrc.gov/reading-rm/adams.html*. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1–800–397–4209, or 301–415–4737 or by e-mail to *pdr@nrc.gov*.

Dated at Rockville, Maryland, this 5th day of August 2002.

For the Nuclear Regulatory Commission.

**Jon B. Hopkins,**

*Senior Project Manager, Section 2, Project Directorate III, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.*

[FR Doc. 02–20174 Filed 8–8–02; 8:45 am]

BILLING CODE 7590–01–P

## NUCLEAR REGULATORY COMMISSION

**[Docket No. 50–247]**

### Entergy Nuclear Operations, Inc.; Notice of Issuance of Amendment to Facility Operating License and Final Determination of No Significant Hazards Consideration

The U.S. Nuclear Regulatory Commission (Commission) has issued Amendment No. 232 to Facility Operating License No. DPR–26 issued to Entergy Nuclear Operations, Inc. (the licensee), which revised the Technical Specifications for operation of the Indian Point Nuclear Generating Unit No.2 (IP2; the facility) located in Westchester County, New York. The amendment was effective as of the date of its issuance.

The amendment made a one-time only change to Technical Specification Surveillance Requirement 4.4.A.3 to revise the frequency for the containment integrated leak rate test (ILRT, Type A test) from at least once per 10 years to at least once per 15 years. This change applies only to the interval following the last Type A test that was performed satisfactorily in June 1991 at IP2.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment.

Notice of Consideration of Issuance of Amendment and Proposed No Significant Hazards Consideration Determination and Opportunity for Hearing in connection with this action was published in the **Federal Register** on August 22, 2001 (66 FR 44165). A request for a hearing was filed on March 18, 2002, by Riverkeeper, Inc.

Under its regulations, the Commission may issue and make an amendment immediately effective, notwithstanding the pendency before it of a request for a hearing from any person, in advance of the holding and completion of any required hearing, where it has determined that no significant hazards consideration is involved.

The Commission has applied the standards of 10 CFR 50.92 and has made a final determination that the amendment involves no significant hazards consideration. The basis for this determination is contained in the Safety Evaluation related to this action. Accordingly, as described above, the amendment has been issued and made immediately effective and any hearing will be held after issuance.

The Commission has determined that this amendment satisfies the criteria for categorical exclusion in accordance with 10 CFR 51.22. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for this amendment.

For further details with respect to this action, see (1) the application for amendment dated July 13, 2001, as supplemented November 30, 2001, March 13, April 3, May 30, and June 13, 2002, (2) Amendment No. 232 to License No. DPR–26, and (3) the Commission's related Safety Evaluation, which are available for public inspection at the Commission's PDR, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System's (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, *http://www.nrc.gov/reading-rm/adams.html*. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1–800–397–4209, 301–415–4737, or by e-mail to *pdr@nrc.gov*.

Dated at Rockville, Maryland, this 5th day of August 2002.

For the Nuclear Regulatory Commission.

**Daniel S. Collins,**

*Project Manager, Section 1, Project Directorate I, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.*

[FR Doc. 02–20175 Filed 8–8–02; 8:45 am]

BILLING CODE 7590–01–P

## NUCLEAR REGULATORY COMMISSION

**[Docket No. 70–1201]**

### Framatome ANP, Inc.; Notice of Intent To Prepare an Environmental Assessment, and Notice of Opportunity for a Hearing

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Notice of receipt of request from Framatome ANP, Inc. to renew Special Nuclear Material License SNM–1168, Notice of intent to prepare an Environmental Assessment, and Notice of opportunity for hearing.

**SUMMARY:** Notice is hereby given that the U.S. Nuclear Regulatory Commission has received, by letter dated March 28, 2002, a request from Framatome ANP, Inc. to renew its NRC Special Nuclear Material License SNM–1168. This facility, located in Lynchburg, Virginia, fabricates low enriched Light Water Reactor fuel assemblies under a 10 CFR part 70 license. The NRC staff intends to prepare an Environmental Assessment for this action.

This application will be reviewed by the staff using NRC formal guidance, NUREG–1520, ''Standard Review Plan for the Review of a License Application for a Fuel Cycle Facility.''

The amendment application and environmental report are available for

public inspection and copying at the NRC Public Document Room, U.S. Nuclear Regulatory Commission Headquarters, Room O–1F21, 11555 Rockville Pike, Rockville, MD 20852. To obtain the application and environmental report electronically using the NRC's document system (ADAMS), the accession numbers are ML020940468 and ML020930031, respectively.

**FOR FURTHER INFORMATION CONTACT:** Ms. Julie Olivier, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T–8A33, Washington, DC 20555. Telephone (301) 415–8098.

**Notice of Opportunity for Hearing**

The NRC hereby provides notice of an opportunity for a hearing on the license renewal application under the provisions of 10 CFR part 2, subpart L, ''Informal Hearing Procedures for Adjudications in Materials and Operator Licensing Proceedings.'' Pursuant to § 2.1205(a), any person whose interest may be affected by this proceeding may file a request for a hearing. In accordance with § 2.1205(d), a request for hearing must be filed within 30 days of the publication of this notice in the **Federal Register**. The request for a hearing must be filed with the Office of the Secretary, either:

(1) By delivery to the Docketing and Service Branch of the Office of the Secretary at One White Flint North, 11555 Rockville Pike, Rockville, MD 20852; or

(2) By mail or telegram addressed to the Secretary, Nuclear Regulatory Commission, Washington, DC 20555, Attention: Docketing and Service Branch.

In accordance with 10 CFR 2.1205(f), each request for a hearing must also be served, by delivering it personally or by mail, to:

(1) The applicant, Framatome Advanced Nuclear Power, P.O. Box 11646, Lynchburg, Virginia, 24506–1646; Attention: Robert Freeman; and

(2) The NRC staff, by delivery to the Executive Director for Operations, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, or by mail addressed to the Executive Director for Operations, Nuclear Regulatory Commission, Washington, DC 20555.

In addition to meeting other applicable requirements of 10 CFR part 2 of the NRC's regulations, a request for a hearing filed by a person other than an applicant must describe in detail:

(1) The interest of the requestor in the proceeding;

(2) How that interest may be affected by the results of the proceeding, including the reasons why the requestor should be permitted a hearing, with particular reference to the factors set out in § 2.1205(h);

(3) The requestor's areas of concern about the licensing activity that is the subject matter of the proceeding; and

(4) The circumstances establishing that the request for a hearing is timely in accordance with § 2.1205(d).

The request must also set forth the specific aspect or aspects of the subject matter of the proceeding as to which the petitioner wishes a hearing.

In addition, members of the public may provide comments on the subject application within 30 days of the publication of this notice in the **Federal Register**. The comments may be provided to Michael Lesar, Chief, Rules Review and Directives Branch, Division of Administration Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington DC 20555.

Dated at Rockville, Maryland, this 2nd day of August 2002.

For the Nuclear Regulatory Commission.

**Daniel M. Gillen,**

*Chief, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards.*

[FR Doc. 02–20173 Filed 8–8–02; 8:45 am]

**BILLING CODE 7590–01–P**

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## SECURITIES AND EXCHANGE COMMISSION

**[Release No. IC–25692; File No. 812–12821]**

## The Equitable Life Assurance Society of the United States, et al.

August 2, 2002.

**AGENCY:** The Securities and Exchange Commission (''Commission'').

**ACTION:** Notice of application for an order of approval pursuant to Section 26(c) of the Investment Company Act of 1940 (the ''1940 Act'') and an order of exemption pursuant to Section 17(b) of the 1940 Act from Section 17(a) of the 1940 Act.

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**APPLICANTS:** For purposes of the order requested pursuant to Section 26(c), The Equitable Life Assurance Society of the United States (''Equitable''), Separate Account A of Equitable (''Separate Account A''), Separate Account FP of Equitable (''Separate Account FP''), Separate Account No. 45 of Equitable (''Separate Account 45'') and Separate Account No. 49 of Equitable (''Separate Account 49'') (collectively, the ''Section 26 Applicants''). For purposes of the order pursuant to Section 17(b), Equitable, Separate Account A, Separate Account FP, Separate Account 45, Separate Account 49, Separate Account No. 66 of Equitable (''Separate Account 66'') (the separate accounts are collectively referred to herein as the ''Separate Accounts'' and individually as a ''Separate Account'') and EQ Advisors Trust (the ''Trust'') (collectively with Equitable and the Separate Accounts, the ''Section 17 Applicants;'' together with the Section 26 Applicants, ''Applicants'').

**SUMMARY OF APPLICATION:** Applicants request an order (a) approving the proposed substitution by certain insurance company separate accounts of Class IB shares of the EQ/Capital Guardian Research Portfolio for Class IB shares of the EQ/MFS Research Portfolio (the ''Substitution''), and (b) to permit certain in-kind transactions in connection with the proposed Substitution. (The EQ/Capital Guardian Research Portfolio is referred to herein as the ''Replacement Portfolio.'' The EQ/MFS Research Portfolio is referred to herein as the ''Removed Portfolio.'')

**FILING DATE:** The application was filed on May 2, 2002 and amended and restated on August 1, 2002.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on August 26, 2002 and should be accompanied by proof of service on Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request and the issues contested. Persons may request notification of a hearing by writing to the Secretary of the Commission.

**ADDRESSES:** Secretary, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Applicants: c/o Peter D. Noris, Executive Vice President and Chief Investment Officer, The Equitable Life Assurance Society of the United States, 1290 Avenue of the Americas, New York, New York 10104, and Mark C. Amorosi, Esq., Kirkpatrick & Lockhart LLP, 1800 Massachusetts Avenue, NW., Washington, DC 20036.

**FOR FURTHER INFORMATION CONTACT:** Mark Cowan, Senior Counsel, or Zandra Bailes, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942–0670.

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application; the complete application may be obtained for a fee from the Public Reference Branch of the Commission, 450 Fifth Street, NW., Washington, DC 20549 (tel. (202) 942–8090).

**Applicants' Representations**

1. Equitable is a New York stock life insurance company that has been in business since 1859. Equitable is a wholly owned subsidiary of AXA Financial, Inc., which is a wholly owned subsidiary of the AXA Group, the holding company for an international group of insurance and related financial services companies.

2. Equitable serves as sponsor and depositor for each of the Separate Accounts. Separate Account A, Separate Account 45 and Separate Account 49 fund certain variable annuity contracts. Separate Account FP funds certain variable life insurance policies. Separate Account 66 funds group pension and profit-sharing plans under group annuity contracts issued by Equitable. (The variable annuity contracts and variable life insurance policies funded by the Separate Accounts are collectively referred to herein as the ''Contracts.'')

3. Each Separate Account is a segregated asset account of Equitable and, with the exception of Separate Account 66, is registered with the Commission as a unit investment trust under the 1940 Act. Separate Account 66 is excluded from registration under the 1940 Act pursuant to Section 3(c)(11) of the 1940 Act. Separate Account 66 is not a Section 26 Applicant.

4. The Trust is organized as a Delaware business trust and registered as an open-end management investment company under the 1940 Act. The Trust is a series investment company and currently has 39 separate series (each a ''Portfolio'' and collectively, the ''Portfolios''). Equitable currently serves as investment manager (''Manager'') of each of the Portfolios. Both the Removed and Replacement Portfolios are series of the Trust. The Trust currently offers two classes of shares, Class IA and Class IB shares, which differ only in that Class IB shares are subject to a distribution plan adopted and administered pursuant to Rule 12b-1 under the 1940 Act. Under that distribution plan, up to 0.50% of the average daily net assets attributable to the Class IB shares of each Portfolio may be used to pay for distribution and shareholder services. The distributors for the Class IA and Class IB shares of each Portfolio are AXA Advisors, LLC (''AXA Advisors'') and AXA Distributors, LLC (''AXA Distributors''). Under the Distribution Agreements with respect to the promotion, sale and servicing of shares of each Portfolio, payments to AXA Advisors and AXA Distributors, with respect to activities under the distribution plan, are currently limited to payments at an annual rate equal to 0.25% of the average daily net assets of each Portfolio (including the Removed and Replacement Portfolios) attributable to its Class IB shares.

5. The Manager has retained investment sub-advisers (''Advisers'') to provide day-to-day investment advisory services for each of the 39 current Portfolios. The Trust has received an exemptive order from the Commission that permits the Manager, or any entity controlling, controlled by, or under common control (within the meaning of Section 2(a)(9) of the 1940 Act) with the Manager, subject to certain conditions, including approval of the Board of Trustees of the Trust, and without the approval of shareholders to: (a) select new or additional Advisers for each Portfolio; (b) enter into new Investment Advisory Agreements with Advisers (''Advisory Agreements'') and/or materially modify the terms of any existing Advisory Agreement; (c) terminate any existing Adviser and replace the Adviser; and (d) continue the employment of an existing Adviser on the same contract terms where the Advisory Agreement has been assigned because of a change of control of the Adviser.

6. Equitable, on its own behalf and on behalf of the Separate Accounts, proposes to exercise its contractual right to substitute a different eligible investment fund for any of the current Portfolios offered as funding options under the Contracts. In particular, the Section 26 Applicants propose to substitute Class IB shares of the Replacement Portfolio for Class IB shares of the Removed Portfolio. Although each Portfolio of the Trust is authorized to issue Class IA shares, neither of the Portfolios involved in the proposed Substitution has issued any Class IA shares to date. Accordingly, no Class IA shares are involved in the proposed Substitution.

7. The Section 26 Applicants propose the Substitution as part of a continued and overall business plan by Equitable to make its Contracts more competitive and thus more attractive to existing Contract owners, and to prospective purchasers. The Substitution is also intended to simplify the prospectuses and related materials with respect to the Contracts and the investment options available through the Separate Accounts. Additionally, the Substitution will substitute shares of the Replacement Portfolio for shares of the Removed Portfolio, which has an identical investment objective and substantially similar investment policies and risks as the Replacement Portfolio. Furthermore, Equitable believes that the Substitution ultimately may enable it to reduce certain of the costs that it incurs in administering the Contracts by consolidating overlapping and duplicative Portfolios. Finally, the Substitution is designed to provide Contract owners with an opportunity to continue their investment in a similar Portfolio without interruption and without any cost to them. In this regard, Equitable will bear all expenses incurred in connection with the Substitution and related filings and notices, including legal, accounting, brokerage and other fees and expenses. On the effective date of the Substitution (''Substitution Date''), the amount of any Contract owner's or participant's Contract value or the dollar value of a Contract owner's or participant's investment in the relevant Contract will not change as a result of the Substitution.

8. The investment objective of the Replacement and Removed Portfolios is to seek long-term growth of capital. To achieve this objective, the Replacement Portfolio invests primarily in equity securities of United States issuers and securities whose principal markets are in the United States, including American Depository Receipts and other United States registered foreign securities. The Portfolio invests primarily in common stocks of companies with a market capitalization greater than $1 billion at the time of purchase. To achieve its objective, the Removed Portfolio also invests primarily (at least 80% of its total assets) in equity securities, including common stocks, preferred stocks and depository receipts. The Portfolio may invest in securities of companies of any size but, like the Replacement Portfolio, invests primarily in large cap companies. The Replacement and Removed Portfolios each may invest a portion of their assets in foreign securities (up to 15% of total assets for the Replacement Portfolio and up to 20% of net assets for the Removed Portfolio). The primary risks associated with an investment in the Replacement Portfolio are: (a) General equity investment risk; and (b) foreign securities risk. The primary risks associated with an investment in the

Removed Portfolio are: (a) general equity investment risk; (b) foreign securities risk; and (c) small-cap and mid-cap company risk. Thus, Applicants believe that, after the proposed Substitution, a Contract owner or participant who allocated value to the Removed Portfolio would continue to have value allocated to a Replacement Portfolio that seeks capital appreciation through investment in domestic company stocks, and would have assumed a substantially similar level of risk.

9. The chart below compares the advisory fees, total expenses and asset sizes of the Replacement Portfolio and the Removed Portfolio for the one year periods ended December 31, 2000 and 2001. The chart also shows the *pro forma* expenses of the Replacement Portfolio assuming that the Substitution had been in effect for the year ended December 31, 2001. The management fee rate for the Replacement Portfolio is identical to that of the Removed Portfolio. The net total expense ratio of the Replacement Portfolio was also identical to that of the Removed Portfolio for the one year period ended December 31, 2001 due to a management fee waiver and expense reimbursement agreement in effect for each of these Portfolios until April 30, 2003 (''Expense Limitation Agreement''). Absent this agreement, the total expense ratio of the Replacement Portfolio would have been higher than that of the Removed Portfolio. The net total expense ratio of the Replacement Portfolio for the one year period ended December 30, 2000 was slightly higher than that of the Removed Portfolio due to the Replacement Portfolio's slightly higher management fee rate at the time. However, as noted above, the current management fee rates for the Removed Portfolio and the Replacement Portfolio are identical under the current management agreement with the Manager.

10. Applicants note that, as further set forth in the chart below, the Replacement Portfolio has been attracting assets over the last two years, while the Removed Portfolio has been losing assets over that same time period. Applicants state that the proposed Substitution would replace the Removed Portfolio with the Replacement Portfolio, which will have a larger asset size after the Substitution. Generally speaking, larger funds tend to have lower expenses than comparable funds that are smaller. This is because, with a larger asset size, fixed fund expenses are spread over a larger base, lowering the expense ratios. Also, larger funds may have lower trading expenses, potentially resulting in higher returns. It is anticipated that the net total expense ratio of the Replacement Portfolio will be no higher than that of the Removed Portfolio as a result of the proposed Substitution due to the Expense Limitation Agreement. In addition, it is anticipated that the total expense ratio of the Replacement Portfolio will be lower than that of the Removed Portfolio as a result of the Substitution, absent any fee waivers or expense reimbursements, as set forth in the following chart.

| | Replacement portfolio EQ/Capital Guardian Research Portfolio (Class IB) | | Removed portfolio EQ/MFS Research Portfolio (Class IB) | | Combined portfolio (pro forma) |
|---|---|---|---|---|---|
| | One year period ended 12/31/2000 | One year period ended 12/31/2001 | One year period ended 12/31/2000 | One year period ended 12/31/2001 | One year period ended 12/31/2001 |
| Net Assets | $78.0 million | $111.9 million | $878.1 million | $683.4 million | $846.1 million [2] |
| Management Fee [1] | 0.65% | 0.65% | 0.62% | 0.65% | 0.65% |
| Rule 12b–1 Fee | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% |
| Other Expenses | 0.16% | 0.15% | 0.07% | 0.07% | 0.06% |
| Total Expenses | 1.06% | 1.05% | 0.94% | 0.97% | 0.96% |
| Fee Waiver and/or Expense Reimbursement | 0.11% | 0.10% | 0.02% | 0.02% | 0.01% |
| Net Expenses | 0.95% | 0.95% | 0.92% | 0.95% | 0.95% |

[1] The management fee for the EQ/Capital Guardian Research Portfolio on an annual basis is equal to 0.650% of the first $1 billion; 0.600% of the next $1 billion; 0.575% of the next $3 billion; 0.550% of the next $5 billion; and 0.525% thereafter. The management fee for the EQ/MFS Research Portfolio on an annual basis is equal to 0.650% of the first $1 billion; 0.600% of the next $1 billion; 0.575% of the next $3 billion; 0.550% of the next $5 billion; and 0.525% thereafter.

[2] Average daily net assets.

11. In connection with the Substitution, the Section 26 Applicants will file with the Commission prospectuses and prospectus supplements that notify Contract owners and participants of Equitable's intention to substitute the Replacement Portfolio for the Removed Portfolio. The prospectuses and prospectus supplements, as appropriate, also will describe the Substitution, the Replacement and Removed Portfolio and the impact of the Substitution on fees and expenses at the underlying fund level. The Section 26 Applicants will send the appropriate prospectus or prospectus supplement containing this disclosure to all existing and new Contract owners and participants.

12. At or after the time the Commission approves the Application, the Section 26 Applicants will send to existing Contract owners and participants a supplement to the relevant Contract prospectus that discloses to such Contract owners and participants that the Application has been approved. Together with this disclosure, the Section 26 Applicants will send to any of those existing Contract owners and participants who have not previously received a prospectus for the Replacement Portfolio a prospectus and/or prospectus supplement for the Replacement Portfolio. New purchasers of Contracts will be provided with a Contract prospectus and/or supplement containing disclosure that the Commission has issued an order approving the Substitution, as well as a prospectus for the Replacement Portfolio. The Contract prospectus and/or supplement and the prospectus and/or prospectus supplement for the Trust, including the Replacement Portfolio, will be delivered to purchasers of new Contracts in accordance with all applicable legal requirements.

13. Contract owners and participants will be sent a notice of the Substitution before the Substitution Date. The notice will inform Contract owners and participants that the Substitution will be effected on the Substitution Date and that they may transfer assets from the Removed Portfolio (or from the Replacement Portfolio following the Substitution Date) to another investment

option available under their Contract without the imposition of any applicable transfer charges, limitations, fees, or other penalties that might otherwise be imposed for a period beginning thirty (30) days before the Substitution Date and ending no earlier than thirty (30) days following the Substitution Date and such transfers will not count against the limit, if any, on the number of free transfers permitted under the Contracts. Within five days after the Substitution Date, Equitable will mail (a) a written notice to all Contract owners and participants affected by the Substitution informing them that the Substitution was completed and restating that they may transfer assets from the Replacement Portfolio to another investment option available under their Contract free of any applicable transfer charges, limitations, fees, or other penalties that might otherwise be imposed through a date at least thirty (30) days following the Substitution Date and such transfers will not count against the limit, if any, on the number of free transfers permitted under the Contracts and (b) a confirmation of the transactions.

14. The Substitution will be effected by redeeming shares of the Removed Portfolio in-kind on the Substitution Date at their net asset value and using the proceeds of those in-kind redemptions to purchase shares of the Replacement Portfolio at their net asset value on the same date (''In-Kind Transactions''). The In-Kind Transactions will be done in a manner consistent with the investment objectives, policies and diversification requirements of the Replacement Portfolio and the Removed Portfolio. Equitable, in consultation with the Replacement Portfolio's Adviser, will review the In-Kind Transactions to ensure that the assets are suitable for the Replacement Portfolio. All assets and liabilities will be valued based on the normal valuation procedures of the Removed Portfolio and the Replacement Portfolio, as set forth in the Trust's registration statement.

15. No transfer or similar charges will be imposed by the Section 26 Applicants and, on the Substitution Date, all Contract values will remain unchanged and fully invested. Contract owners and participants will not incur any fees or charges as a result of the proposed Substitution, nor will their rights or Equitable's obligations under the Contracts be altered in any way. All expenses in connection with the proposed Substitution, including any brokerage, legal, accounting, and other fees and expenses will be paid by Equitable. The proposed Substitution will not impose any tax liability on Contract owners or participants or cause the Contract charges currently being paid by Contract owners and participants to be greater after the proposed Substitution than before the proposed Substitution. All Contract-level fees will remain the same after the proposed Substitution. The proposed Substitution will not alter in any way the benefits, including tax benefits to Contract owners and participants, or Equitable's obligations under the Contracts. In addition, the proposed Substitution will not be treated as a transfer for purposes of assessing transfer charges or computing the number of permissible transfers under the Contracts.

16. The Section 26 Applicants request that the Commission issue an order pursuant to Section 26(c) of the 1940 Act approving the substitution of Class IB shares of the EQ/Capital Guardian Research Portfolio for Class IB shares of the EQ/MFS Research Portfolio. The Section 17 Applicants request that the Commission issue an order pursuant to Section 17(b) of the 1940 Act granting an exemption from Section 17(b) to the extent necessary to permit the In-Kind Transactions.

*Applicable Law*

Section 26(c) of the 1940 Act:

1. Section 26(c) of the 1940 Act prohibits the depositor of a registered unit investment trust that invests in the securities of a single issuer from substituting the securities of another issuer without Commission approval. Section 26(c) provides that ''[t]he Commission shall issue an order approving such substitution if the evidence establishes that it is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this title.''

2. Applicants represent that the proposed Substitution involves a substitution of securities within the meaning of Section 26(c) of the 1940 Act. The Applicants, therefore, request an order from the Commission pursuant to Section 26(c) approving the proposed Substitution.

3. Applicants state that Equitable has reserved the right under the Contracts to substitute shares of another eligible investment fund for any of the current Portfolios offered as funding options under the Contracts. Applicants represent that the prospectuses for the Contracts and the Separate Accounts contain appropriate disclosure of this right. The Section 26 Applicants have reserved this right of substitution both to protect themselves and their Contract owners in situations where either might be harmed or disadvantaged by events affecting the issuer of the securities held by a Separate Account and to preserve the opportunity to replace such shares in situations where a substitution could benefit Equitable and its Contract owners.

4. Applicants state that the Replacement Portfolio and Removed Portfolio have an identical investment objective and substantially similar investment policies and risks. In addition, Applicants maintain that the proposed Substitution retains for Contract owners the investment flexibility that is a central feature of the Contracts, and any impact on the investment programs of affected Contract owners, including the appropriateness of the available investment options, should be negligible.

5. Applicants also maintain that the ultimate effect of the Substitution would be to consolidate overlapping and duplicative investment options into a single Portfolio. This consolidation will permit Equitable to present information to its Contract owners and participants in a simpler and more concise manner. The anticipated streamlining of the disclosure documents should provide Contract owners and participants with a simpler presentation of the available investment options under their Contracts and related financial information.

6. Thus, Applicants state that the Substitution protects the Contract owners and participants who have allocated Contract value to the Removed Portfolio by: (a) providing an underlying investment option for sub-accounts invested in the Removed Portfolio that is substantially similar to the Removed Portfolio; (b) providing such Contract owners and participants with simpler and more focused disclosure documents; and (c) providing such Contract owners and participants with an investment option with an identical management fee and total expense ratio as the current investment option.

7. Applicants assert that the proposed Substitution is not of the type that Section 26(c) was designed to prevent. Unlike traditional unit investment trusts where a depositor could only substitute investment securities in a manner which permanently affected all the investors in the trust, the Contracts provide each Contract owner and participant with the right to exercise his or her own judgment, and transfer Contract values and cash values into and among other investment options available to Contract owners and participants under their Contracts. Additionally, the Substitution will not,

in any manner, reduce the nature or quality of the available investment options. Moreover, the Section 26 Applicants will offer Contract owners and participants the opportunity to transfer amounts out of the affected sub-accounts without any cost or other penalty that may otherwise have been imposed for a period beginning thirty (30) days before the Substitution Date and ending no earlier than thirty (30) days after the Substitution Date. Applicants conclude that the Substitution will not result in the type of costly forced redemption that Section 26(c) was designed to prevent.

8. Applicants assert that the proposed Substitution is also unlike the type of substitution which Section 26(c) was designed to prevent in that by purchasing a Contract, Contract owners and participants select much more than a particular underlying fund in which to invest their Contract values. They also select the specific type of insurance coverage offered by the Section 26 Applicants under the applicable Contract, as well as numerous other rights and privileges set forth in the Contract. Contract owners also may have considered Equitable's size, financial condition, and its reputation for service in selecting their Contract. These factors will not change as a result of the proposed Substitution.

9. Applicants state that the significant terms of the proposed substitution are as follows:

a. The Replacement Portfolio has an identical investment objective and substantially similar investment policies and risks as the Removed Portfolio, providing Contract owners and participants with a means to continue their investment goals and risk expectations;

b. The total expense ratio of the Class IB shares of the Replacement Portfolio will be equal to or less than that of the Class IB shares of the Removed Portfolio, assuming that the assets of the Replacement Portfolio do not decrease significantly from the present asset level. In this regard, for those Contract owners or participants who are Contract owners or participants on the date of the Substitution, Equitable will waive its management fee with respect to the Replacement Portfolio and/or reimburse expenses incurred by the Replacement Portfolio during the twenty-four months following the Substitution to the extent necessary to ensure that the total expense ratio for any period (not to exceed a fiscal quarter) for the Class IB shares of the Replacement Portfolio does not exceed 0.95% of the Replacement Portfolio's average daily net assets (on an annualized basis);

c. Investments in the Replacement Portfolio may be temporary investments for Contract owners and participants as each Contract owner and participant may exercise his or her own judgment as to the most appropriate investment alternative available. In this regard, the proposed Substitution retains for Contract owners and participants the investment flexibility which is a central feature of the Contracts. Additionally, for a period beginning thirty (30) days before the Substitution Date, and ending no earlier than thirty (30) days after the Substitution, Contract owners and participants directly affected by the Substitution will be permitted to transfer value from the Replacement Portfolio or the Removed Portfolio to another investment option available under their Contract free of any otherwise applicable transfer charges, limitations, fees, or other penalties that might otherwise be imposed and such transfers will not count against the limit, if any, on the number of free transfers permitted under the Contracts;

d. The Substitution will be effected at the relative net asset values of the shares of the Removed Portfolio and the Replacement Portfolio, without the imposition of any transfer or similar charge by the Section 26 Applicants, and with no change in the amount of any Contract owner's or participant's Contract value or in the dollar value of his or her investment in such Contract;

e. Contract owners and participants will not incur directly or indirectly related fees or charges as a result of the Substitution. Equitable will bear all expenses incurred in connection with the Substitution and related filings and notices, including legal, accounting, brokerage and other fees and expenses. The Substitution will not cause the Contract fees and charges currently being paid by existing Contract owners to be greater after the Substitution than before the Substitution;

f. The Substitution will not be counted as a new investment selection in determining the limit, if any, on the total number of Portfolios that Contract owners and participants can select during the life of a Contract;

g. The Substitution will not alter or affect the insurance benefits or rights of Contract owners or participants or the terms and obligations of the Contracts;

h. Contract owners and participants would not incur any adverse tax consequences as a result of the Substitution;

i. Contract owners and participants affected by the Substitution will be sent written confirmation of the Substitution that identifies the Substitution made on behalf of the Contract owner or participant within five days following the Substitution;

j. For those Contract owners or participants who were Contract owners or participants on the date of the Substitution, Equitable will not increase sub-account or Contract expenses for a period of twenty-four months following the Substitution Date; and

k. Contract owners and participants may withdraw amounts under the Contract or terminate their interest in a Contract, under the conditions that currently exist, including payment of any applicable withdrawal or surrender charge.

Section 17(a) of the 1940 Act:

1. Section 17(a)(1) of the 1940 Act prohibits any affiliated person of a registered investment company, or any affiliated person of such a person, acting as principal, from knowingly selling any security or other property to that company. Section 17(a)(2) of the 1940 Act generally prohibits the same persons, acting as principals, from knowingly purchasing any security or other property from the registered investment company.

2. Section 17(b) of the 1940 Act provides that the Commission may, upon application, issue an order exempting any proposed transaction from Section 17(a) if: (a) the terms of the proposed transactions are reasonable and fair and do not involve overreaching on the part of any person concerned; (b) the proposed transactions are consistent with the policy of each registered investment company concerned; and (c) the proposed transactions are consistent with the general purposes of the 1940 Act.

3. The Section 17 Applicants request an order pursuant to Section 17(b) of the 1940 Act exempting them from the provisions of Section 17(a) to the extent necessary to permit them to carry out the In-Kind Transactions.

4. The Section 17 Applicants submit that the terms of the proposed In-Kind Transactions, including the consideration to be paid and received are reasonable and fair and do not involve overreaching on the part of any person concerned. Applicants state that the In-Kind Transactions will be effected at the respective net asset values of the Removed Portfolio and the Replacement Portfolio, as determined in accordance with the procedures disclosed in the registration statement for the Trust and as required by Rule 22c–1 under the 1940 Act. Applicants further state that the In-Kind Transactions will not change the dollar value of any Contract owner's or participant's investment in any of the Separate Accounts, the value of any

Contract, the accumulation value or other value credited to any Contract, or the death benefit payable under any Contract. After the proposed In-Kind Transactions, the value of a Separate Account's investment in the Replacement Portfolio will equal the value of its investments in the Removed Portfolio (together with the value of any pre-existing investments in the Replacement Portfolio) before the In-Kind Transactions.

5. Applicants state that the Section 17 Applicants will assure themselves that the In-Kind Transactions will be in substantial compliance with the conditions of Rule 17a–7. To the extent that the In-Kind Transactions do not comply fully with the provisions of paragraphs (a) and (b) of Rule 17a–7, the Section 17 Applicants assert that the terms of the In-Kind Transactions provide the same degree of protection to the participating companies and their shareholders as if the In-Kind Transactions satisfied all of the conditions enumerated in Rule 17a–7. The Section 17 Applicants also assert that the proposed In-Kind Transactions by the Section 17 Applicants do not involve overreaching on the part of any person concerned. Furthermore, the Section 17 Applicants represent that the proposed Substitution will be consistent with the policies of the Removed Portfolio and the Replacement Portfolio, as recited in the Trust's current registration statement.

6. Applicants also assert that the proposed In-Kind Transactions are consistent with the general purposes of the 1940 Act and that the proposed In-Kind Transactions do not present any conditions or abuses that the 1940 Act was designed to prevent.

## Conclusion

For the reasons set forth in the Application, the Section 26 Applicants and the Section 17 Applicants each respectively state that the proposed Substitution and the related In-Kind Transactions meet the standards of Section 26(c) of the 1940 Act and Section 17(b) of the 1940 Act, respectively, and respectfully request that the Commission issue an order of approval pursuant to Section 26(c) of the 1940 Act and Section 17(b) of the 1940 Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20145 Filed 8–8–02; 8:45 am]

BILLING CODE 8010–01–P

## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94–409, that the Securities and Exchange Commission will hold the following meeting during the week of August 12, 2002:

A Closed Meeting will be held on Tuesday, August 13, 2002 at 10 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), (9)(B), and (10) and 17 CFR 200.402(a)(3), (5), (7), (9)(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

The subject matter of the Closed Meeting scheduled for Tuesday, August 13, 2002, will be:

Formal orders of investigation;
Institution and settlement of injunctive actions;
Institution and settlement of administrative proceedings of an enforcement nature;
Adjudicatory matter; and
Opinions.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942–7070.

Dated: August 6, 2002.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20276 Filed 8–6–02; 4:13 pm]

BILLING CODE 8010–01–P

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46313; File No. S7–31–02]**

### Ownership Reports and Trading by Officers, Directors and Principal Security Holders

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Notice of Supplemental Information on Section 16(a) and Related Rules.

**SUMMARY:** The Commission today is issuing supplemental information regarding the filing of ownership reports by officers, directors and principal security holders under Section 16 of the Securities Exchange Act of 1934. The release addresses the amendments to Section 16(a) enacted by the Sarbanes-Oxley Act of 2002 and related final rules that the Commission will consider adopting no later than the August 29, 2002 effective date of those amendments.

**DATES:** We welcome any comments on the implementation of the legislative provisions relating to Section 16(a). In light of the August 29, 2002 effective date of the amendments to Section 16(a), comments should arrive at the Commission by August 15, 2002.

**ADDRESSES:** Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Comments also may be submitted electronically at the following electronic mail address: *rule-comments@sec.gov.* To help us process and review your comments more efficiently, comments should be sent by one method only. All comment letters should refer to File No. S7–31–02; this file number should be included in the subject line if electronic mail is used. Comment letters will be available for public inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC 20549. Electronically submitted comment letters will be posted on the Commission's Internet Web Site (*http://www.sec.gov*).[1]

**FOR FURTHER INFORMATION CONTACT:** Anne M. Krauskopf, Special Counsel, David Lee, Special Counsel, or Carol McGee, Special Counsel at (202) 942–2900, Division of Corporation Finance, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0402.

**SUPPLEMENTARY INFORMATION:**

## I. Background

Section 16[2] applies to every person who is the beneficial owner of more than 10% of any class of equity security registered under Section 12 of the Exchange Act,[3] and each officer and director (collectively, ''insiders'') of the issuer of such security. Upon becoming an insider, or upon the Section 12 registration of that security, Section

[1] We do not edit personal identifying information, such as names or electronic mail addresses, from electronic submissions. You should submit only information that you wish to make available publicly.

[2] 15 U.S.C. 78p.

[3] 15 U.S.C. 78l.

16(a)[4] requires an insider to file an initial report with the Commission disclosing his or her beneficial ownership of all equity securities of the issuer. To keep this information current, Section 16(a) also requires insiders to report changes in such ownership, or the purchase or sale of a security-based swap agreement[5] involving such equity security. As currently in effect, Section 16(a) provides for such transactions to be reported on a monthly basis within 10 days after the close of each calendar month in which such a change in ownership or purchase or sale of a security-based swap agreement occurs.

On July 30, 2002, the Sarbanes-Oxley Act of 2002 (the ''Act'')[6] was enacted. Section 403(a) of the Act amends Section 16(a) to require insiders to report such a change in ownership or purchase or sale of a security-based swap agreement ''before the end of the second business day following the day on which the subject transaction has been executed, or at such other time as the Commission shall establish, by rule, in any case in which the Commission determines that such 2-day period is not feasible.''[7]

Section 403(b) of the Act provides that this amendment becomes effective 30 days after the date of enactment. That effective date is August 29, 2002. Thus, all transactions subject to Section 16(a) executed on or after August 29, 2002 will be reportable by insiders on Form 4[8] in accordance with the amended two-business day deadline, except where the rules under Section 16(a) provide otherwise.

The Act also amends Section 16(a) to require, not later than one year following enactment, electronic filing of change of beneficial ownership reports, and website posting of such reports by both the Commission and issuers.[9] We have announced our intention to begin rulemaking to make the filing of Section 16(a) reports on EDGAR mandatory,[10] and will proceed expeditiously with that rulemaking and related system programming to assure adoption within the one-year period mandated by the Act. Meanwhile, we encourage insiders and companies filing Section 16(a) reports on their behalf to make these filings electronically. To facilitate EDGAR conversion under the current filing system, we will accept electronically-filed Section 16(a) reports that are not presented in the standard box format and omit the horizontal and vertical lines separating information items, so long as all required information is presented in the proper order.

## II. Rulemaking To Implement Amended Section 16(a)

To implement the new accelerated reporting deadline, we anticipate adopting final rules that will become effective no later than the August 29, 2002 effective date of the Section 16(a) amendments. We anticipate that these final rules will accomplish the following:

1. Adopt amendments to Form 4 to conform all references to the applicable filing deadline to the amended statutory filing deadline and to reflect that Form 4 is no longer a monthly form.

2. Adopt amendments to Rule 16a–3(f)[11] so that transactions between officers or directors and the issuer exempted from Section 16(b)[12] short-swing profit recovery by Rule 16b–3[13] that currently may be reported within 45 days after the issuer's fiscal year end on Form 5[14] will be required to be reported within two business days on Form 4.

3. Adopt one or more new rules under Section 16(a) that will provide different Form 4 due dates for narrowly defined specified transactions, if any, as to which we determine that the two-business day reporting period is not feasible.

Accelerated reporting of officers' and directors' reportable transactions with an issuer exempted by Rule 16b–3 is necessary to satisfy the Act's purpose to require immediate disclosure of insider transactions. We previously solicited comment on this regulatory action.[15] In light of the Section 16(a) amendments enacted by Section 403 of the Act, we do not intend to consider further our proposed amendments discussed in that release to require companies to report directors' and executive officers' transactions in company equity securities. We continue to consider the other amendments proposed in that Release that would require companies to disclose information about (1) directors' and executive officers' arrangements intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5–1(c)[16] and (2) company loans and loan guarantees to directors and executive officers that are not prohibited by Section 402 of the Act.

Rule 16a–3(f) as amended would subject to two-business day reporting on Form 4 all reportable transactions with the issuer exempted by Rule 16b–3, including transactions in issuer equity securities and derivative securities. Derivative securities transactions so reportable under the amended rule would include, without limitation, issuances, exercises,[17] and cancellations and regrants of stock options, including repricings.

We currently do not intend to consider rules providing exemptions from the two-business day reporting deadline for Form 4 based on non-feasibility for transactions categorized by type of issuer, type of insider, or size of transaction. We are reviewing the deadlines only for narrowly specified types of transactions where objective criteria prevent the insider from controlling (and in many cases from knowing) the timing of transaction execution and where we have concluded that satisfying the two-business day period would not be feasible. The deadlines we will consider for these transactions will reflect the Act's purpose to require immediate disclosure of insider transactions. The types of transactions for which we are considering calculating the deadlines differently may include:

- A transaction pursuant to a single market order that is executed over more than one day, but not to exceed a specified number of days;
- A transaction involving a pre-existing arrangement the timing of

[4] 15 U.S.C. 78p(a).

[5] As defined in Section 206(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 78c).

[6] Pub. L. 107–204, 116 Stat. 745.

[7] Section 16(a)(2)(C) (15 U.S.C. 78p(a)(2)(C)), as amended by the Act. Section 30(h) of the Investment Company Act of 1940 (15 U.S.C. 80a–29(h)) provides that ''Every person who is directly or indirectly the beneficial owner of more than 10 per centum of any class of outstanding securities (other than short-term paper) of which a registered closed-end company is the issuer or who is an officer, director, member of an advisory board, investment adviser, or affiliated person of an investment adviser of such a company shall in respect of his transactions in any securities of such company (other than short-term paper) be subject to the same duties and liabilities as those imposed by section 16 of the Securities Exchange Act of 1934 upon certain beneficial owners, directors, and officers in respect of their transactions in certain equity securities.'' Accordingly, the Act's amendments also accelerate the deadline for change of beneficial ownership reports required pursuant to Section 30(h).

[8] 17 CFR 249.104.

[9] Section 16(a)(4), as amended by the Act.

[10] Securities Act Release No. 7803 (Feb. 25, 2000) [65 FR 11507].

[11] 17 CFR 240.16a–3(f).

[12] 15 U.S.C. 78p(b).

[13] 17 CFR 240.16b–3.

[14] 17 CFR 249.105.

[15] ''Form 8–K Disclosure of Certain Management Transactions,'' Securities Act Release No. 8090, Exchange Act Release No. 45742 (Apr. 12, 2002) [67 FR 19914, at 19920].

[16] 17 CFR 240.10b5–1(c).

[17] The current requirements of Rule 16a–3(f)(1)(i)(A) to report on Form 4 exercises and conversions of derivative securities that are exempt from Section 16(b) short-swing profit recovery under either Rule 16b–3 or Rule 16b–6(b) [17 CFR 240.16b–6(b)] will continue.

which is outside the knowledge of the insider before a confirmation or other notice of the transaction is sent to the insider, with a delay not to exceed a specified number of days; and

• A discretionary transaction involving an employee benefit plan,[18] whether or not exempted by Rule 16b–3, where the delay would again be tied to notice of the transaction.

By the Commission.

Dated: August 6, 2002.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20177 Filed 8–8–02; 8:45 am]

**BILLING CODE 8010–01–P**

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## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46309; File No. SR–Amex–2002–58]**

## Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange LLC Relating to a Pilot Program Involving Crossing Transactions in Nasdaq Securities

August 5, 2002.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 18, 2002, the American Stock Exchange LLC (''Amex'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal pursuant to Section 19(b)(3)(A) of the Act,[3] and Rule 19b–4(f)(6) thereunder,[4] which renders the proposal effective upon filing with the Commission.[5] The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Amex proposes to add Commentary .06 to Amex Rule 126(g) relating to crossing procedures on the Amex in Nasdaq National Market securities. The text of the proposed rule change is below. Proposed new language is in italics.

Precedence of Bids and Offers

Rule 126

(a)–(f) No change.

(g) No change.

Commentary

.01 through .03 No change.

*.04 Reserved*

*.05 Reserved*

*0.6 If prior to presenting a cross transaction in a Nasdaq National Market security involving 5,000 shares or more, a broker requests that the specialist and market makers at the post quote their current market for the subject security, the broker may execute a cross transaction at a price between the quoted market without interference by a specialist or market maker.*

*In no event shall an agency order in the book, having time priority, remain unexecuted after any other order at its price has been effected pursuant to this rule or otherwise.*

* * * * *

### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for its proposal and discussed any comments it received regarding the proposal. The text of these statements may be examined at the places specified in Item IV below. The Amex has prepared summaries, set forth in Sections A, B and C below, of the most significant aspects of such statements.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Amex filed SR–Amex–2001–106[6] to accommodate trading in Nasdaq National Market (''NNM'') securities. The Exchange now proposes to adopt crossing procedures under Amex Rule 126(g) to provide additional flexibility to permit brokers to effect crosses of orders of 5,000 shares or more in NNM securities. Under Amex Rule 126(g), Commentary .01, orders to cross 5,000 shares or more (where one or both sides is for the account of a member or member organization) can establish size precedence if the orders are represented at the specialist's post when a sale removing all bids and offers from the Floor takes place. Commentary .01 has been approved on a pilot basis until September 27, 2002.[7]

Amex Rule 126(g), Commentary .02 provides that orders of 5,000 shares or more for the accounts of non-members or member organizations can be crossed at a price at or within the prevailing quotation. The member's bid or offer is entitled to priority at the cross price, irrespective of pre-existing bids or offers at that price. Under either Commentaries .01 or .02, a cross can be ''broken-up'' by the specialist or another Floor member that is willing to provide price improvement to all or a portion of one side of the proposed cross. With the advent of decimal pricing, such price improvement could be as small as $.01. This may result in frequent interference with crosses being effected, and with minimal price betterment, notwithstanding the choice of a broker's customers that a cross be effected and the broker's assessment that such cross is in the customer's best interest. In connection with trading in Nasdaq securities, this can place the Amex and its members at a competitive disadvantage to other markets that may have crossing procedures that are less restrictive than those of the Amex. The Amex, therefore, proposes to provide additional flexibility to brokers proposing to effect crosses in Nasdaq securities.

Proposed Amex Rule 126(g), Commentary .06 provides that a floor broker would be permitted to effect cross transactions in NNM securities involving 5,000 shares or more without interference by the specialist or market makers if, prior to presenting the cross transaction, the floor broker requests a quote for the subject security. These requests will place the specialist and market makers on notice that the floor broker intends to cross within the bid-offer spread. The Amex believes this arrangement will ensure that a specialist or market maker retains the opportunity to better the cross price by updating their quote, but will preclude the specialist or market maker from breaking up a cross transaction after the cross transaction is presented. The floor broker will retain the ability to present both sides of the order at the post if the customers so desire.

The proposed rule change will be implemented on a pilot basis through September 30, 2002. The Exchange notes that it has filed a separate

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[18] Such a ''discretionary transaction'' is defined in Rule 16b–3(b)(1).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6).

[5] The Exchange provided the Commission with notice of its intention to file the proposed rule change on June 25, 2002. The Amex has asked the Commission to waive the 30-day operative delay. *See* Rule 19b–4(f)(6)(iii). 17 CFR 240.19b–4(f)(6)(iii).

[6] Securities Exchange Act Release No. 45365 (January 30, 2002), 67 FR 5626 (February 6, 2002).

[7] *See* Securities Exchange Act Release No. 45658 (March 27, 2002), 67 FR 15842 (April 3, 2002) (SR–Amex–2002–22).

proposed rule change relating to cross transactions in Nasdaq securities.[8] In the event SR–Amex–2002–26 is approved by the Commission prior to September 30, 2002, the pilot program for Commentary .06 would terminate.

2. Statutory Basis

The Amex believes the proposed rule change is consistent with Section 6(b) of the Act [9] in general, and furthers the objectives of Section 6(b)(5) [10] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

No written comments were solicited or received with respect to the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Because the foregoing proposed rule change does not:

(i) significantly affect the protection of investors or the public interest;

(ii) impose any significant burden on competition; and

(iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act [11] and Rule 19b–4(f)(6) thereunder.[12] At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

The Amex has requested that the Commission waive the 30-day operative delay. The Commission believes waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Acceleration of the operative date will (i) permit the Amex to have these revised crossing procedures in place by the time the Amex begins trading Nasdaq securities on the Amex; and (2) provide the Amex with sufficient time to notify its members of the new crossing procedures before trading Nasdaq securities begins on the Amex. For these reasons, the Commission designates the proposal to be effective and operative upon filing with the Commission.[13]

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposal is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Amex. All submissions should refer to file number SR–Amex–2002–58 and should be submitted by August 30, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[14]

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20180 Filed 8–8–02; 8:45 am]

BILLING CODE 8010–01–P

[8] *See* SR–Amex–2002–26.

[9] 15 U.S.C. 78f(b).

[10] 15 U.S.C. 78f(b)(5).

[11] 15 U.S.C. 78s(b)(3)(A).

[12] 17 CFR 240.19b–4(f)(6).

[13] For purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[14] 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46304; File No. SR–Amex–2002–56]**

## Self-Regulatory Organizations; Order Granting Accelerated Approval to Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval to Amendment No. 1 to the Proposed Rule Change by American Stock Exchange LLC Relating to Odd-Lots in Nasdaq Securities

August 2, 2002.

**I. Introduction**

On June 17, 2002, the American Stock Exchange LLC (''Amex'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission''), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934[1] and Rule 19b–4 thereunder,[2] a proposed rule change to describe odd-lot execution procedures applicable to trading Nasdaq National Market (''NNM'') securities. The proposed rule change was published for comment in the **Federal Register** on July 10, 2002.[3] On July 26, 2002, the Exchange filed Amendment No. 1 to the proposed rule change.[4] This order approves the proposed rule change and Amendment No. 1 thereto on an accelerated basis.

**II. Description**

*A. Background*

The Exchange filed a proposed rule change to permit trading of NNM securities pursuant to unlisted trading privileges.[5] The Exchange currently is modifying its existing system in order to provide automatic execution of market and executable limit orders in NNM securities of less than 100 shares in a

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 46148 (June 28, 2002), 67 FR 45773 (July 10, 2002).

[4] *See* Letter from Claire P. McGrath, Senior Vice President and Deputy General Counsel, Amex, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission, dated July 25, 2002 (''Amendment No. 1''). In Amendment No. 1, the Exchange: (1) Amended proposed Amex Rule 118(j)(i) to change the word ''adjusted'' to ''qualified'' in the first paragraph; (2) deleted paragraph (j)(i)(A) for proposed Amex Rule 118, which stated that the bid or offer in another market center will be considered in determining the qualified national best bid or offer only if it is no more than 25 cents above the bid or below the offer disseminated by the Amex; (3) re-numbered the provisions contained in the third paragraph of proposed Amex Rule 118(j)(i); and (4) changed the date of approval of the proposed rule change by the Exchange's Board of Governors to September 19, 2001.

[5] *See* Securities Exchange Act Release No. 45365 (January 30, 2001), 67 FR 5626 (February 6, 2002)(SR-Amex-2001–106).

manner generally consistent with procedures set forth in Amex Rule 205. Round lot orders (*e.g.,* 100 shares) and Part of Round Lot (''PRL'') orders (*e.g.,* 175 shares) will not be subject to automatic execution. In this filing, the Exchange proposes to add paragraph (j) to proposed Rule 118 to describe procedures applicable to the execution of odd-lot orders. The Exchange proposes to implement these procedures on a six-month pilot basis.

*B. Execution of Odd-Lots*

Market and executable odd-lot limit orders to buy (sell) will be executed at the price of the qualified national best offer (bid) at the time the order is received at the trading post or through the Amex Order File (AOF). Market and executable limit orders entered before the opening of trading in NNM securities on the Exchange will receive an execution at the price of the first reported round-lot or PRL on the Amex.

For purposes of this provision, the qualified national best bid or offer is the highest bid and lowest offer disseminated by the Amex or by another market center that is a participant in the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis (''Plan''). The bid or offer of such other market center will be considered in determining the qualified national best bid or offer only if it meets the conditions specified in proposed Rule 118(j)(i). These conditions are that: (1) The quotation conforms to Amex Rule 127 (''Minimum Price Variations''), that is, the bid or offer must be in a one cent increment; (2) the quotation does not result in a locked or crossed market; (3) the market center is not experiencing operational or system problems affecting quotation dissemination; and (4) members of the other market center disseminating the quotations are not relieved of their obligations with respect to their quotations pursuant to the ''unusual market'' exception of Rule 11Ac1–1 under the Act.

Procedures for the execution of non-executable limit orders, stop orders, stop limit orders, other order types, orders filled after the close and non-regular way trades will be similar to existing odd-lot execution procedures under Amex Rule 205 A(2)–A(4), B and C. Such orders will be processed manually.

*C. Locked and Crossed Market Conditions*

The Exchange also proposed procedures for automatically executing market and executable limit odd-lot orders entered after the opening of Amex trading in NNM securities when the national best bid and offer is locked or crossed. Specifically, if a locked market exists, market orders and executable buy and sell limit orders will be executed at the same price as the locked price. If a crossed market exists, and the bid is higher than the offer by $.05 or less, market and executable limit orders will be executed at the mean of the crossed bid and offer. If the mean does not fall on a one-cent increment, the execution will be rounded up to the nearest $.01. If a crossed market exists and the bid is higher than the offer by more than $.05, then an odd-lot order will not be automatically executed, but will be executed manually in accordance with proposed Rule 118(j)(i) (*i.e.,* filled at the price of the next unlocked and uncrossed qualified national bid or offer).

The Exchange also proposes to add new Commentary .05 to Rule 205 to reference Rule 118(j) odd-lot procedures.

**III. Discussion**

After careful review, the Commission finds that the proposed rule change is consistent with section 6(b) of the Act [6] in general and furthers the objectives of Section 6(b)(5).[7] The Commission believes that the proposal is designed to remove impediments to and to perfect the mechanism of a free and open market, to facilitate transactions in odd-lot orders, to help ensure the economically efficient execution of these transactions, and in general to protect investors and the public interest.[8]

The Commission believes that the Exchange's proposed pricing procedure for odd-lot orders in NNM securities will facilitate the execution of such orders. Because the orders will be priced off a current market quote, investors should receive a timely execution of their orders. Moreover, the Commission believes that pricing standard odd-lot market orders at the qualified national best bid or offer will result in orders receiving execution prices that accurately reflect market conditions, and will ensure that customers receive the best execution, both in terms of price and time.

The Commission also believes that it is reasonable for the Exchange to establish certain requirements to trigger use of the qualified national best bid or offer in the odd-lot pricing system. The limited prerequisites for use of quotes disseminated by other participants in the Plan are appropriate to protect the automatic execution feature of the odd-lot pricing system against the inclusion of aberrant quotations. The Commission believes that, in the instances enumerated by the Exchange, it is appropriate to use the Amex best bid or offer in lieu of quotes disseminated by other participants in the Plan that do not satisfy the conditions of proposed Amex Rule 118(j)(1).

Moreover, the proposed rule will ensure that a differential is not charged for standard odd-lot market orders in NNM securities. This prohibition furthers the Commission's objective of ensuring that customers receive the best execution of such orders, and that the price charged for the execution of standard odd-lot market orders will reflect the market price without additional transaction costs.

Finally, the Commission believes that the manner in which the Exchange proposes to handle locked and crossed markets is consistent with the Act because it is designed to reduce the frequency of locked and crossed markets, which should help to provide reliable quotation information, facilitate price discovery, and contribute to the maintenance of a fair and orderly market. The proposal seeks to eliminate locked markets by matching marketable orders against one another, and to eliminate crossed markets by executing the orders at the mean of the crossed bid and offer, if the bid is higher than the offer by $.05 or less.[9] The Commission believes this approach is reasonable. As the Commission has concluded previously, continued locking and crossing of the market can negatively affect market quality.[10] By helping to reduce the negative impact of locked and crossed markets by dealing with them in a timely manner, the Commission believes that the proposal should improve market quality and enhance the production of fair and orderly quotations.

The Commission finds good cause for approving the proposed rule change

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78f(b)(6).

[8] In approving this rule, the Commission notes that it has considered the proposal's impact on efficiency, competition, and capital formation, consistent with Section 3 of the Act. 15 U.S.C. 78c(f).

[9] If the bid is higher than the offer by more than $.05, an odd-lot order will be executed manually.

[10] *See* Securities Exchange Act Release No. 40455 (September 22, 1998), 63 FR 51978 (September 29, 1998) (order approving File No. SR–NASD–98–01).

prior to the thirtieth day after the date of publication of notice in the **Federal Register**. The Commission notes that granting accelerated approval to the proposal will allow the Amex to commence trading of NNM securities on a UTP basis in a timely fashion. Therefore, the Commission finds that granting accelerated approval to the proposed rule change is appropriate and consistent with section 19(b)(2) of the Act.[11]

## IV. Amendment No. 1

The Commission finds good cause for approving Amendment No. 1 prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. In Amendment No. 1, in addition to making technical, non-substantive changes to the rule text to correct minor errors contained therein, the Exchange deleted paragraph (j)(i)(A) for proposed Amex Rule 118. This provision stated that the bid or offer in another market center will be considered in determining the qualified national best bid or offer only if it is no more than 25 cents above the bid or below the offer disseminated by the Amex.

The Commission believes that this change to the proposal was necessary so that bids and offers from other market centers in NNM securities that better the quote disseminated by the Amex would be considered in determining the qualified NBBO for odd-lots. The Commission believes that it would be inconsistent with the Act to allow broker-dealers to ignore quotes from other markets simply because they are better than the Amex quote by a designated amount.

In sum, the Commission finds that this change is consistent with section 6(b)(5) of the Act[12] in that it will facilitate transactions in odd-lot orders, help ensure the economically efficient execution of these transactions, and in general protect investors and the public interest. The Commission also finds that the Amex's proposed changes in Amendment No. 1 further strengthen and clarify the proposed rule change and eliminate a potential regulatory issue. Therefore, the Commission finds that granting accelerated approval to Amendment No. 1 is appropriate and consistent with section 19(b)(2) of the Act.[13]

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning Amendment No. 1, including whether the proposed amendment is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Amex. All submissions should refer to File No. SR–Amex–2002–56 and should be submitted by August 30, 2002.

## VI. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule change, as amended, is consistent with the requirements of the Act and the rules and regulations thereunder. Moreover, the Commission finds that there is good cause to grant accelerated approval to the proposed rule change and Amendment No. 1 on a pilot basis, to expire six months from the date of this order.

*It is therefore ordered,* pursuant to section 19(b)(2) of the Act,[14] that the proposed rule change and Amendment No. 1 thereto (SR–Amex–2002–56) are approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[15]

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20184 Filed 8–8–02; 8:45 am]

BILLING CODE 8010–01–P

[11] 15 U.S.C. 78s(b)(2).

[12] 15 U.S.C. 78f(b).

[13] 15 U.S.C. 78s(b)(2).

[14] 15 U.S.C. 78s(b)(2).

[15] 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46308; File No. SR–CBOE–2001–66]**

## Self-Regulatory Organizations; Order Granting Approval to a Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to Registration Filing Requirements of Associated Persons of Member Organizations

August 2, 2002.

## I. Introduction

On December 17, 2001, the Chicago Board Options Exchange, Inc. (''CBOE'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission''), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend the CBOE Fee Schedule and CBOE Rules 2.22 (Other Fees or Charges), 3.6A (Qualification and Registration of Certain Associated Persons), 9.2 (Registration of Options Principals), and 9.3 (Registration and Termination of Representatives) relating to the registration filing requirements of associated persons of member organizations. The Exchange filed an amendment to its proposal on April 22, 2002.[3] The Exchange filed a second amendment to its proposal on May 29, 2002.[4] The proposed rule change and Amendments Nos. 1 and 2 were published for comment in the **Federal Register** on June 18, 2002.[5] The Commission did not receive any comment letters regarding the proposal. This order approves the proposed rule change, as amended, and sets an effective date for the proposed rule change of September 20, 2002.

## II. Description of the Proposed Rule Change

The purpose of the proposed rule change is to allow for associated persons of CBOE member firms that are not members of NASD to register their qualification status electronically via NASD's Web CRD System (''Web CRD''). Currently, the Exchange requires those associated persons of member

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* letter from Nancy L. Nielsen, Director of Arbitration and Assistant Secretary, CBOE, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission (April 19, 2002) (''Amendment No. 1'').

[4] *See* letter from Christopher R. Hill, Attorney II, Legal Department, CBOE, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission (May 29, 2002) (''Amendment No. 2'').

[5] *See* Securities Exchange Act Release No. 46062 (June 11, 2002), 67 FR 41552.

organizations that are members of the CBOE, but are not NASD members, to manually register for a qualification status by filing a hard copy Form U–4. In addition, a hard copy Form U–5 must be filed with the Exchange within 30 days of the registered person's termination or within 30 days after the member organization learns of any facts or circumstances that would give rise to an amendment.

The CBOE has established an arrangement with NASD to allow CBOE members that are not NASD members to register associated persons electronically with the CBOE through Web CRD. The CBOE believes that this revision to the current registration process will benefit those persons seeking and/or maintaining registrations with the CBOE in that hard copy filings will no longer need to be sent to the Exchange. In addition, all registration and disclosure data will be consolidated into one database, Web CRD, thus allowing members and member organizations access to the member's associated persons' records. Processing associated persons of these non-NASD member firms in Web CRD should make information about them more readily available to regulators and allow for closer monitoring of these firms and their associated persons. In addition, this arrangement will establish a method to allow registered persons to be notified and satisfy the Continuing Education Regulatory Requirement pursuant to CBOE Rule 9.3A.

The proposed rule change also implements fees to be imposed upon non-NASD Exchange members and member organizations, which members will be instructed to pay directly to NASD through the Web CRD system at the time the Exchange member/member organization effects a registration transaction through Web CRD. These fees include: (a) A Non-Member Processing Fee of $85.00; (b) a Disclosure Processing Fee of $95.00; (c) an Annual System Processing Fee of $30.00; and (d) Fingerprint Processing Fees.

Once the transition to the Web CRD is completed, all Exchange members and member organizations that are not members of the NASD will be subject to these Web CRD fees, which will be set forth on the Exchange Fee Schedule. In addition, all registered persons will continue to be assessed CBOE registration fees as outlined in CBOE Rule 2.22(b)—*Other Fees or Charges, (Registration Fees).*

The proposed rule change amends Rule 9.3(a) to eliminate obsolete language, and to clarify the requirements for registration by associated persons of members of other national securities exchanges, by deleting language that will no longer be applicable when such associated persons effect their registration via Web CRD. In addition, the proposed rule change eliminates Interpretations .01 and .02 to Rule 9.3, as the appropriate portions have been incorporated into Rule 9.3 itself.

## III. Discussion

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[6] In particular, the Commission finds that the proposed rule change is consistent with section 6 of the Act.[7] Specifically, the Commission finds that the proposed rule change is consistent with section 6(b)(4) of the Act,[8] which requires that the rules of an Exchange provide for the equitable allocation of reasonable dues, fees, and other charges among its members. In addition, the Commission finds that the proposed rule change is consistent with section 6(b)(5) of the Act,[9] which requires, among other things, that the Exchange's rules be designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons regulating transactions in securities, and, in general, to protect investors and the public interest. The Commission believes that the proposed rule change should enhance the ability of regulators to monitor broker-dealers and their associated persons.

## IV. Conclusion

For the foregoing reasons, the Commission finds that the proposal is consistent with the requirements of the Act and rules and regulations thereunder.

*It is therefore ordered,* pursuant to section 19(b)(2) of the Act,[10] that the proposed rule change (SR–CBOE–2001–66) is approved and shall become effective on September 20, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[11]

**Margaret H. McFarland,**

*Deputy Secretary.*

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[6] In approving this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[7] 15 U.S.C. 78f.

[8] 15 U.S.C. 78f(b)(4).

[9] 15 U.S.C. 78f(b)(5).

[10] 15 U.S.C. 78s(b)(2).

[11] 17 CFR 200.30–3(a)(12).

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## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46311; File No. SR–EMCC–2002–01]**

## Self-Regulatory Organizations; Emerging Markets Clearing Corporation; Notice of Filing of a Proposed Rule Change To Expand the Types of Instruments Eligible for Processing

August 5, 2002.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on January 10, 2002, Emerging Markets Clearing Corporation (''EMCC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by EMCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed change to EMCC's Rules would expand the types of instruments eligible for processing by EMCC to include emerging market debt that meets certain criteria. These additional eligible instruments would be defined in a new definition section of Rule 1 titled ''eligible corporate debt.''

### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, EMCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. EMCC has prepared summaries, set forth in sections (A), (B) and (C) below, of the most significant aspects of such statements.[2]

[1] 15 U.S.C. 78s(b)(1).

[2] The Commission has modified parts of these statements.

*(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

The purpose of the proposed rule change is to expand the types of instruments eligible for processing by EMCC to include emerging market corporate debt that meets certain criteria. EMCC will accomplish this by adding a new definition, ''eligible corporate debt,'' to Rule 1. ''Eligible corporate debt'' will be defined as those instruments which: 1. are issued by or on behalf of an issuer domiciled in an emerging markets jurisdiction;

2. The minimum amount of the debt issue outstanding or to be issued at the time of determination is $200,000,000, and the issuer has cumulatively issued at least $750,000,000 (or equivalent currency) of debt securities; and

3. EMCC does or would include the sovereign debt of the jurisidiction where the issuer is domiciled in the list of EMCC eligible instruments.

As with all instruments that are EMCC eligible, such instruments will also have to meet the existing criteria set forth in Rule 3 in that they will have to be eligible for settlement at a qualified securities depository and be U.S. dollar denominated. Accordingly, Section 1 of Rule 3 will be amended to include a reference to ''eligible corporate debt.''

EMCC believes that the inclusion of dollar denominated emerging market corporate debt meeting the foregoing criteria will be beneficial to its members because it will help eliminate counterparty risk in these instruments when EMCC becomes the central counterparty. EMCC also believes that its current clearing fund formula will allow it to collect appropriate amounts of collateral to cover the risks posed by this class of securities.

EMCC believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder because it will facilitate the prompt and accurate clearance and settlement of securities transaction.

*(B) Self-Regulatory Organization's Statement on Burden on Competition*

EMCC does not believe that the proposed rule change will have an impact on or impose any burden on competition.

*(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

No written comments relating to the proposed rule change have been solicited or received. EMCC will notify the Commission of any written comments received by EMCC.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which EMCC consents, the Commission will:

(a) By order approve the proposed rule change or

(b) Institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW, Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of EMCC. All submissions should refer to File No. SR–EMCC–2002–01 and should be submitted by August 30, 2002.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[3]

**Margaret H. McFarland,**

*Deputy Secretary.*

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**BILLING CODE 8010–01–P**

[3] 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46299; File No. SR–NYSE–2002–26]**

## Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the New York Stock Exchange, Inc. Relating to Fixed Income ETFs (Section 703.16)

August 1, 2002.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Exchange Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 24, 2002, the New York Stock Exchange, Inc. (''NYSE'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons, and to grant accelerated approval.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The NYSE proposes to amend Section 703.16 (Investment Company Units) of the Listed Company Manual (''Manual'') to accommodate the listing and trading of fixed income Exchange Traded Funds (''ETFs''), which are based on indexes of fixed income securities, including the trading thereof on an unlisted trading privilege (''UTP'') basis. The proposed rule change will permit the listing and trading on the Exchange of the following series of the iShares Trust, a registered open-end management investment company (''Trust''): iShares 1–3 Year Treasury Index Fund, iShares 7–10 Year Treasury Index Fund, iShares 20+ Year Treasury Index Fund, iShares Treasury Index Fund, iShares Government/Credit Index Fund, iShares Lehman Corporate Bond Fund, and iShares Goldman Sachs Corporate Bond Fund.

The text of the proposed rule change is as follows; new text is italicized.

* * * * *

703.16 Investment Company Units

The Exchange will consider for listing, whether pursuant to Rule 19b–4(e) under the Securities Exchange Act of 1934 (the ''Exchange Act'') or otherwise, units of trading (''Units'') that meet the criteria of this paragraph. A Unit is a security that represents an interest in a registered investment

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

company (''Investment Company'') that could be organized as a unit investment trust, an open-end management investment company, or a similar entity. (See also NYSE Rule 1100.)

(A) Original Unit Listing Standards

(1) The Investment Company must:

(a) hold securities *(including fixed income securities)* comprising, or otherwise based on or representing an investment in, an index or portfolio of securities; or

(b) hold securities in another registered investment company that holds securities as described in (a) above.

An index or portfolio may be revised as necessary or appropriate to maintain the quality and character of the index or portfolio.

(2) The Investment Company must issue Units in a specified aggregate number in return for a deposit (the ''Deposit'') consisting of either:

(a) a specified number of shares of securities *(or if applicable, a specified portfolio of fixed income securities)* that comprise the index or portfolio, or are otherwise based on or represent an investment in securities comprising such index or portfolio, and/or a cash amount; or

(b) shares of a registered investment company, as described in clause (A)(1)(b) above, and/or a cash amount.

(3) Units must be redeemable, directly or indirectly, from the Investment Company for securities *(including fixed income securities)* and/or cash then comprising the Deposit. Units must pay holders periodic cash payments corresponding to the regular cash dividends or distributions declared with respect to the securities held by the Investment Company, less applicable expenses and charges.

* * * * *

## II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the NYSE included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The NYSE has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

### *A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

**1. Purpose**

Section 703.16 of the Manual provides standards for listing Investment Company Units, which are defined as ''securities representing an interest in a registered investment company that could be organized as a unit investment trust, open-end management investment company or similar entity.'' In addition to being registered under the Investment Company Act of 1940 (''1940 Act''), these securities are registered under the Exchange Act. The Exchange is proposing to amend this definition to facilitate the listing and trading (including on a UTP basis) of index-based fixed income investment products that are not based in any way on a stock index, but instead are based on an index of fixed income securities. Examples of such products include U.S. government securities and corporate and non-corporate (other than U.S. government) debt securities. As amended, Section 703.16 of the Manual, together with Exchange Rule 1100, would accommodate the listing of Units based on an index of U.S. government debt securities (e.g., securities issued or guaranteed by the U.S. Treasury, an agency or instrumentality of the U.S. government, or by a government-sponsored entity). Other 1940 Act investment products that could be listed and traded under Section 703.16, as amended, would include Units based on an index of corporate and/or non-corporate debt securities, or an index consisting of U.S. government, corporate and non-corporate debt securities.[3] The Commission has recently approved the request of the American Stock Exchange LLC (''Amex'') to list and trade fixed income ETFs.[4] The Exchange believes that its proposed rule changes are substantially similar to those of the Amex.

Accordingly, the Exchange proposes to amend Section 703.16 to specify that Investment Company Units may be: (1) based on a portfolio of fixed income securities; (2) issued by an investment company in return for a specified portfolio of fixed income securities and/or cash; and (3) redeemed at a holder's request by the investment company, which will pay the redeeming holder fixed income securities and/or cash.

Upon approval of the proposed amendments to Section 703.16, the Exchange proposes to list and trade on a UTP basis the following seven series of the Trust: iShares 1–3 Year Treasury Index Fund; iShares 7–10 Year Treasury Index Fund; iShares 20+ Year Treasury Index Fund; iShares Treasury Index Fund; iShares Government/Credit Index Fund; iShares Lehman Corporate Bond Fund; and iShares Goldman Sachs Corporate Bond Fund (each, a ''Fund,'' and collectively, the ''Funds'').

Each Fund will hold certain fixed income securities selected to correspond generally to the price and yield performance of a specified U.S. Treasury, Government/Credit, or Corporate Bond (each, an ''Underlying Index'') maintained either by Lehman Brothers, or, for the Goldman Sachs Corporate Bond Fund, by Goldman Sachs and Co.[5]

Barclays Global Fund Advisors (''Advisor'' or ''BGFA'') is the investment advisor for each Fund. The Advisor is registered under the Investment Advisers Act of 1940. The Advisor is a wholly owned subsidiary of Barclays Global Investors, N.A. (''BGI''). BGI is a wholly owned indirect subsidiary of Barclays Bank PLC of the United Kingdom.

SEI Investments Distribution Co. (''Distributor''), a Pennsylvania corporation and broker-dealer registered under the Exchange Act, is the principal underwriter and distributor of Creation Unit Aggregations (as defined below) of iShares. The Distributor is not affiliated with the Exchange or the Advisor.

### *A. Operation of the Funds*

The investment objective of each Fund will be to provide investment results that correspond generally to the price and yield performance of its Underlying Index. In seeking to achieve its respective investment objective, each Fund will utilize ''passive'' indexing investment strategies. Each Fund may fully replicate its Underlying Index, but currently intends to use a

[3] Investment Company Units based on a fixed income securities index are not eligible for listing under the Exchange's generic listing criteria (Section 703.16). Therefore, the Exchange will file separate proposed rule changes pursuant to Rule 19b–4 under the Exchange Act prior to listing and trading (including trading on a UTP basis) any additional series of such Investment Company Units.

[4] *See* Securities Exchange Act Release No. 46252 (July 24, 2002) (SR–Amex–2001–35).

[5] On June 18, 2002, Goldman, Sachs & Co. announced changes to the Goldman Sachs Index, which underlies the iShares Goldman Sachs Corporate Bond Fund. As of July 1, 2002, the composition of the index expanded from 30 to 100 investment grade bonds and the index will be permitted to include more than one bond per issuer. *See* Business Wire, June 18, 2002, ''Goldman Sachs Expands Corporate Bond Index to Enhance Market Representation.'' A description of the revised index is publicly available in the Commission's Public Reference Room.

''representative sampling'' strategy to track its Underlying Index. A Fund utilizing a representative sampling strategy generally will hold a basket of the component securities (''Component Securities'') of its Underlying Index, but it may not hold all of the Component Securities of its Underlying Index (as compared to a Fund that uses a replication strategy which invests in substantially all of the Component Securities in its Underlying Index in the same approximate proportions as in the Underlying Index).[6]

When using a representative sampling strategy, the Advisor attempts to match the risk and return characteristics of a Fund's portfolio to the risk and return characteristics of the Underlying Index. As part of this process, the Advisor subdivides each Underlying Index into smaller, more homogeneous pieces. These subdivisions are sometimes referred to as ''cells.'' A cell will contain securities with similar characteristics. For fixed income indices, the Advisor generally divides the index according to the five parameters that determine a bond's risk and expected return: (1) duration, (2) sector, (3) credit rating, (4) coupon, and (5) the presence of embedded options. When completed, all bonds in the index will have been assigned a cell. The Advisor then begins to construct the portfolio by selecting representative bonds from these cells. The representative sample of bonds chosen from each cell is designed to closely correlate to the duration, sector, credit rating, coupon, and embedded option characteristics of each cell. The characteristics of each cell when combined are, in turn, designed to closely correlate to the duration, sector, credit rating, coupon, and embedded option characteristics of the Underlying Index as a whole. The Advisor may exclude less liquid bonds in order to create a more tradable portfolio and improve arbitrage opportunities.[7]

According to the Application, the representative sampling techniques used by the Advisor to manage fixed income funds do not materially differ from the representative sampling techniques it uses to manage equity funds. Due to the differences between bonds and equities, the Advisor analyzes different information, *e.g.,* coupon rates instead of dividend payments.

According to the Application, the Funds' use of the representative sampling strategy is beneficial for a number of reasons. First, the Advisor can avoid bonds that are ''expensive names'' (*i.e.,* bonds that trade at perceived higher prices or lower yields because they are in short supply) but have the same essential risk, value, duration and other characteristics as less expensive names. Second, the use of representative sampling techniques permits the Advisor to exclude bonds that it believes will soon be deleted from the Underlying Index. Third, the Advisor can avoid holding bonds it deems less liquid than other bonds with similar characteristics. Fourth, the Advisor can develop a basket that is easier to construct and cheaper to trade, thereby potentially improving arbitrage opportunities.

From time to time, adjustments may be made in the portfolio of each Fund in accordance with changes in the composition of the Underlying Index or to maintain compliance with requirements applicable to a regulated investment company (''RIC'') under the Internal Revenue Code. For example, if at the end of a calendar quarter a Fund would not comply with the RIC diversification tests, the Advisor would make adjustments to the portfolio to ensure continued RIC status. The Exchange notes, however, that Advisor does not anticipate that the Funds would need to make such adjustments, particularly since these Funds (other than the iShares Lehman Corporate Bond Fund and the iShares Goldman Sachs Corporate Bond Fund) invest a very large percentage of their assets in U.S. Treasury securities.

The Exchange represents that the Advisor expects that each Fund will have a tracking error relative to the performance of its respective Underlying Index of no more than five percent (5%). Each Fund's investment objectives, policies and investment strategies will be fully disclosed in its prospectus (''Prospectus'') and statement of additional information (''SAI''). At least 90% of each of the iShares 1–3 Year Treasury Index Fund, iShares 7–10 Year Treasury Index Fund, iShares 20+ Year Treasury Index Fund, iShares Treasury Index Fund, and iShares Government/Credit Index Fund's assets will be invested in Component Securities of its respective Underlying Index. Each of these Funds may also invest up to 10% of its assets in bonds not included in its Underlying Index, but which the Advisor believes will help the Fund track its Underlying Index, as well as in certain futures, options and swap contracts, cash and cash equivalents. For example, these Funds may invest in securities not included in the relevant Underlying Index in order to reflect prospective changes in the relevant Underlying Index (such as future corporate actions and index reconstitutions, additions and deletions). Each of the iShares Lehman Corporate Bond Fund and the iShares Goldman Sachs Corporate Bond Fund generally will invest at least 90% of its assets in Component Securities of its respective Underlying Index. However, each of the iShares Lehman Corporate Bond Fund and the iShares Goldman Sachs Corporate Bond Fund may at times invest up to 20% of its assets in certain futures, options and swap contracts, cash and cash equivalents as well as in bonds not included in its Underlying Index, but which the Advisor believes will help the Fund track its Underlying Index and which are either (i) included in the broader index upon which such Underlying Index is based (*i.e.,* the Lehman Credit Index for the Lehman Credit VLI Index or the Goldman Sachs Investment Grade Index for the Goldman Sachs InvesTop Index); or (ii) new issues entering or about to enter the Underlying Index or the broader index upon which such Underlying Index is based.

*B. Issuance of Creation Unit Aggregations*

1. In General. Shares of each Fund (the ''iShares'') will be issued on a continuous offering basis in groups of 50,000 or more. These ''groups'' of shares are called ''Creation Unit Aggregations.'' The Funds will issue and redeem iShares only in Creation Unit Aggregations.[8] As with other open-

[6] The Commission approved an ''Application'' by the Trust, the Advisor and the Distributor (''Applicants'') for an Order under Sections 6(c) and 17(b) of the 1940 Act for the purpose of exempting the Funds from various provisions of the 1940 Act. *See* Investment Company Act Release No. 25622 (June 25, 2002) (approving File No. 812–12390). The information provided in this Rule 19b-4 filing relating to the Funds is based on information included in the Application and Order which include additional information regarding the Trust and the Funds.

[7] As stated in the Application, the Goldman Sachs Index excludes bonds with embedded options. Although the Lehman Indices may include bonds with embedded options, according to the Application the bonds in each Lehman Index (and the respective Deposit Securities and Fund Securities, as defined below) should be liquid and easily tradable because each Lehman Index consists of U.S. Treasury and agency securities and/or liquid corporate and non-corporate bonds. To the extent a particular bond is less liquid than another bond with similar characteristics, the Advisor's representative sampling techniques should permit the Advisor to replace the less liquid bond with a more liquid one. For these reasons, the Advisor does not believe the presence of bonds with embedded options in an Underlying Index, the Deposit Securities, or Fund Securities would have any material impact on the creation/redemption process and the efficiency of the arbitrage mechanism for each Fund.

[8] Each Creation Unit Aggregation will consist of 50,000 or more iShares and the estimated initial

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end investment companies, iShares will be issued at the net asset value (''NAV'') per share next determined after an order in proper form is received. The anticipated price at which the iShares will initially trade is approximately $100.

The NAV per share of each Fund is determined as of the close of the regular trading session on the Exchange on each day that the Exchange is open. The Trust sells Creation Unit Aggregations of each Fund only on business days at the next determined NAV of each Fund.

Creation Unit Aggregations will be issued by each Fund in exchange for the in-kind deposit of portfolio securities designated by the Advisor to correspond generally to the price and yield performance of the Fund's Underlying Index (the ''Deposit Securities''). Purchasers will generally be required to deposit a specified cash payment in the manner more fully described in the Application. Creation Unit Aggregations will be redeemed by each Fund in exchange for portfolio securities of the Fund (''Fund Securities'') and a specified cash payment in the manner more fully described herein. Fund Securities received on redemption may not be identical to Deposit Securities deposited in connection with creations of Creation Unit Aggregations for the same day. The Distributor will act on an agency basis and will be the Trust's principal underwriter for the iShares in Creation Unit Aggregations of each Fund. All orders to purchase iShares in Creation Unit Aggregations must be placed with the Distributor by or through an authorized participant (''Authorized Participant''). Authorized Participants, which are required to be Depository Trust Company (''DTC'') participants, must enter into a participant agreement with the Distributor. The Distributor will transmit such orders to the applicable Fund and furnish to those placing orders confirmation that the orders have been accepted. The Distributor may reject any order that is not submitted in proper form. The Distributor will be responsible for delivering the prospectus to those persons creating iShares in Creation Unit Aggregations and for maintaining records of both the orders placed with it and the confirmations of acceptance furnished by it. In addition, the Distributor will maintain a record of the instructions given to the Trust to implement the delivery of iShares.

2. *In-Kind Deposit of Portfolio Securities.* Payment for Creation Unit Aggregations placed through the Distributor will be made by the purchasers generally by an in-kind deposit with the Fund of the Deposit Securities together with an amount of cash (the ''Balancing Amount'') specified by the Advisor in the manner described below. The Balancing Amount is an amount equal to the difference between (1) the NAV (per Creation Unit Aggregation) of the Fund and (2) the total aggregate market value (per Creation Unit Aggregation) of the Deposit Securities (such value referred to herein as the ''Deposit Amount''). The Balancing Amount serves the function of compensating for differences, if any, between the NAV per Creation Unit Aggregation and that of the Deposit Amount. The deposit of the requisite Deposit Securities and the Balancing Amount are collectively referred to herein as a ''Portfolio Deposit.''

The Advisor will make available to the market through the National Securities Clearing Corporation (the ''NSCC'') on each Business Day, prior to the opening of trading on the Exchange (currently 9:30 a.m. Eastern Time), the list of the names and the required number of shares of each Deposit Security included in the current Portfolio Deposit (based on information at the end of the previous Business Day) for the relevant Fund. The Portfolio Deposit will be applicable to a Fund (subject to any adjustments to the Balancing Amount, as described below) in order to effect purchases of Creation Unit Aggregations of the Fund until such time as the next-announced Portfolio Deposit composition is made available.

The identity and number of shares of the Deposit Securities required for the Portfolio Deposit for each Fund will change from time to time. The composition of the Deposit Securities may change in response to adjustments to the weighting or composition of the Component Securities in the relevant Underlying Index. These adjustments will reflect changes, known to the Advisor to be in effect by the time of determination of the Deposit Securities, in the composition of the Underlying Index being tracked by the relevant Fund, or resulting from rebalance or additions or deletions to the relevant Underlying Index. In addition, the Trust reserves the right with respect to each Fund to permit or require the substitution of an amount of cash (*i.e.*, a ''cash in lieu'' amount) to be added to the Balancing Amount to replace any Deposit Security: (1) that may be unavailable or not available in sufficient quantity for delivery to the Trust upon the purchase of iShares in Creation Unit Aggregations, or (2) that may not be eligible for trading by an Authorized Participant or the investor on whose behalf the Authorized Participant is acting.

*C. Availability of Information Regarding iShares and Underlying Indices*

1. *In General.* On each Business Day the list of names and amount of each treasury security, government security or corporate bond constituting the current Deposit Securities of the Portfolio Deposit and the Balancing Amount effective as of the previous Business Day will be made available. An amount per iShare representing the sum of the estimated Balancing Amount effective through and including the previous Business Day, plus the current value of the Deposit Securities, on a per iShare basis (the ''Intra-day Optimized Portfolio Value'' or ''IOPV'') will be calculated by Bloomberg L.P. (''Bloomberg'') every 15 seconds during the Exchange's regular trading hours and disseminated every 15 seconds on the Consolidated Tape. Bloomberg will use Bloomberg Generic Prices (''BGN Prices'') to reflect changing bond prices and update the IOPV throughout the day. BGN Prices are current prices on individual bonds as determined by Bloomberg using an automated pricing program that analyzes multiple bond prices contributed to Bloomberg by third-party price contributors (such as broker-dealers). BGN Prices are updated throughout the day based on an ongoing analysis of the bid/ask prices submitted by the third-party price contributors. When Bloomberg receives bid/ask prices from a price contributor, the prices are filtered and screened according to pre-determined criteria and set parameters in order to maximize the accuracy of the pricing data. The net result of this process is an individual bond ''price'' based on an analysis of multiple pricing sources. BGN Prices are available on Bloomberg systems, and Applicants expect that the pricing of the Deposit Securities will be transparent to anyone with access to Bloomberg systems.

The Lehman Indices and the Goldman Sachs Index will not be calculated or disseminated intra-day. The value and return of each Lehman Index is updated on a daily basis by Lehman Brothers. The value and return of the Goldman Sachs Index is updated on a daily basis by Goldman Sachs.

Each Fund will make available through NSCC on a daily basis the names and required number of shares of each of the Deposit Securities in a Creation Unit Aggregation, as well as information regarding the Balancing Amount. The NAV for each Fund will

value per Creation Unit Aggregation will be approximately $5 million.

be calculated and disseminated daily. There will also be disseminated a variety of data with respect to each Fund on a daily basis by means of CTA and CQ High Speed Lines; information with respect to recent NAV, shares outstanding, estimated cash amount and total cash amount per Creation Unit Aggregation will be made available prior to the opening of the Exchange. The closing prices of the Funds' Deposit Securities are readily available from published or other public sources, or on-line information services provided by Merrill Lynch, IDC, Bridge, Bloomberg, Lehman Brothers and other pricing services commonly used by bond mutual funds. In addition, the website for the Trust, which will be publicly accessible at no charge, will contain the following information, on a per iShare basis, for each Fund: (a) the prior Business Day's NAV and the mid-point of the bid-ask price at the time of calculation of such NAV (''Bid/Ask Price''), [9] and a calculation of the premium or discount of such price against such NAV; and (b) data in chart format displaying the frequency distribution of discounts and premiums of the Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters.

2. *Information Regarding the Underlying Debt Securities.* The secondary market for Treasury securities is a highly organized over-the-counter market. Many dealers, and particularly the primary dealers, make markets in Treasury securities. Trading activity takes place between primary dealers, non-primary dealers, and customers of these dealers, including financial institutions, non-financial institutions and individuals. Increasingly, trading in Treasury securities occurs through automated trading systems.[10]

The primary dealers are among the most active participants in the secondary market for Treasury securities. The primary dealers and other large market participants frequently trade with each other, and most of these transactions occur through an interdealer broker.[11] The interdealer brokers provide primary dealers and other large participants in the Treasury market with electronic screens that display the bid and offer prices among dealers and allow trades to be consummated.

Quote and trade information regarding Treasury securities is widely available to market participants from a variety of sources. The electronic trade and quote systems of the dealers and interdealer brokers are one such source. Groups of dealers and interdealer brokers also furnish trade and quote information to vendors such as Bloomberg, Reuters, Bridge, Moneyline Telerate, and CQG. GovPX,[12] for example, is a consortium of leading government securities dealers and subscribers that provides market data from leading government securities dealers and interdealer brokers to market data vendors and subscribers. TradeWeb, another example, is a consortium of 18 primary dealers that, in addition to providing a trading platform, also provides market data direct to subscribers or to other market data vendors.[13]

Real-time price quotes for corporate and non-corporate debt securities are available to institutional investors via proprietary systems such as Bloomberg, Reuters and Dow Jones Telerate. Additional analytical data and pricing information may also be obtained through vendors such as Bridge Information Systems, Muller Data, Capital Management Sciences, Interactive Data Corporation and Barra.

Retail investors do have access to free intra-day bellwether quotes.[14] The Bond Market Association provides links to price and other bond information sources on its investor web site at *www.investinginbonds.com.* In addition, transaction prices and volume data for the most actively-traded bonds on the exchanges are published daily in newspapers and on a variety of financial websites.

Closing corporate and non-corporate bond prices are also available through subscription services (*e.g.,* IDC, Bridge) that provide aggregate pricing information based on prices from several dealers, as well as subscription services from broker-dealers with a large bond trading operation, such as Lehman Brothers and Goldman, Sachs & Co.

*D. Redemption of iShares*

Creation Unit Aggregations of each Fund will be redeemable at the NAV next determined after receipt of a request for redemption. Creation Unit Aggregations of each Fund will be redeemed principally in-kind, together with a balancing cash payment (although, as described below, Creation Unit Aggregations may sometimes be redeemed for cash). The value of each Fund's redemption payments on a Creation Unit Aggregation basis will equal the NAV per the appropriate number of iShares of such Fund. Owners of iShares may sell their iShares in the secondary market, but must accumulate enough iShares to constitute a Creation Unit Aggregation in order to redeem through the Fund. Redemption orders must be placed by or through an Authorized Participant.

Creation Unit Aggregations of any Fund generally will be redeemable on any Business Day in exchange for Fund Securities and the Cash Redemption Payment (defined below) in effect on the date a request for redemption is made. The Advisor will publish daily through NSCC the list of securities which a creator of Creation Unit Aggregations must deliver to the Fund (the ''Creation List'') and which a redeemer will receive from the Fund (the ''Redemption List''). The Creation List is identical to the list of the names and the required numbers of shares of each Deposit Security included in the current Portfolio Deposit.

In addition, just as the Balancing Amount is delivered by the purchaser of Creation Unit Aggregations to the Fund, the Trust will also deliver to the redeeming Beneficial Owner in cash the ''Cash Redemption Payment.'' The Cash Redemption Payment on any given Business Day will be an amount calculated in the same manner as that for the Balancing Amount, although the actual amounts may differ if the Fund Securities received upon redemption are not identical to the Deposit Securities applicable for creations on the same day. To the extent that the Fund Securities have a value greater than the NAV of iShares being redeemed, a cash payment equal to the differential is required to be paid by the redeeming Beneficial Owner to the Fund. The Trust may also make redemptions in cash in lieu of transferring one or more Fund Securities to a redeemer if the Trust determines, in its discretion, that such method is warranted due to unusual circumstances. An unusual circumstance could arise, for example, when a redeeming entity is restrained by regulation or policy from transacting in certain Fund Securities, such as the presence of such Fund Securities, on a redeeming investment banking firm's restricted list.

[9] The Bid-Ask Price of a Fund is determined using the highest bid and lowest offer on the Exchange as of the time of calculation of each Fund's NAV.

[10] See ''eCommerce in the Fixed-Income Markets: The 2001 Review of Electronic Transaction Systems,'' December 2001. This survey of electronic trading systems in the bond market was prepared by the staff of The Bond Market Association and is available through the Association's web site: *www.bondmarkets.com.*

[11] *E.g.,* BrokerTec Global, Cantor Fitzgerald, Garban-Intercapital, and Liberty Brokerage.

[12] *See www.govpx.com.*

[13] *See www.tradeweb.com.*

[14] Corporate prices are available at 20 minute intervals from Capital Management Services at *www.bondvu.com/quotmenu.htm.*

*E. Clearance and Settlement*

The Deposit Securities and Fund Securities of each Fund will settle via free delivery through the Federal Reserve System for U.S. government securities and the DTC for corporate securities and non-corporate (other than U.S. government securities). The iShares will settle through the DTC. The Custodian will monitor the movement of the Deposit Securities and will instruct the movement of the iShares only upon validation that the Deposit Securities have settled correctly or that required collateral is in place.

As with the settlement of domestic ETF transactions outside of the NSCC Continuous Net Settlement System (the ''CNS System''), (i) iShares of the Funds and corporate and non-corporate securities (other than U.S. government securities) will clear and settle through DTC, and (ii) U.S. government securities and cash will clear and settle through the Federal Reserve system. More specifically, creation transactions will settle as follows. On settlement date (T + 3) an Authorized Participant will transfer Deposit Securities that are corporate and non-corporate bonds (other than U.S. government securities) through DTC to a DTC account maintained by the Funds' Custodian, and Deposit Securities that are U.S. government securities, together with any Balancing Amount, to the Custodian through the Federal Reserve system. Once the Custodian has verified the receipt of all of the Deposit Securities (or in the case of failed delivery of one or more bonds, collateral in the amount of 105% or more of the missing Deposit Securities) and the receipt of any Balancing Amount, the Custodian will notify the Distributor and the Advisor. The Fund will issue Creation Unit Aggregations of iShares and the Custodian will deliver the iShares to the Authorized Participant through DTC. DTC will then credit the Authorized Participant's DTC account. The clearance and settlement of redemption transactions essentially reverses the process described above. After the Trust has received a redemption request in proper form and the Authorized Participant transfers Creation Unit Aggregations of iShares to the Funds' Custodian through DTC, the Trust will cause the Custodian to initiate procedures to transfer the requisite Fund Securities and any Cash Redemption Payment. On T + 3, assuming the Custodian has verified receipt of the Creation Unit Aggregations, the Custodian will transfer Fund Securities that are corporate and non-corporate bonds to the Authorized Participant through DTC and Fund Securities that are U.S. government securities, together with any Cash Redemption Payment, through the Federal Reserve system.

iShares of the Funds will be debited or credited by the Custodian directly to the DTC accounts of the Authorized Participants. With respect to domestic equity-based ETFs using the CNS System, Creation Unit Aggregations of iShares are deposited or charged to the Authorized Participants' DTC accounts through the CNS System. Since creation/redemption transactions for iShares of the Funds will not clear and settle through the CNS System, the failed delivery of one or more Deposit Securities (on a create) or one or more Fund Securities (on a redemption) will not be facilitated by the CNS System. Therefore, Authorized Participants will be required to provide collateral to cover the failed delivery of Deposit Securities in connection with an ''in-kind'' creation of iShares. In case of a failed delivery of one or more Deposit Securities, the Funds will hold the collateral until the delivery of such Deposit Security. The Funds will be protected from failure to receive the Deposit Securities because the Custodian will not effect the Fund's side of the transaction (the issuance of iShares) until the Custodian has received confirmation of receipt of the Authorized Participant's incoming Deposit Securities (or collateral for failed Deposit Securities) and Balancing Amount. In the case of redemption transactions, the Funds will be protected from failure to receive Creation Unit Aggregations of iShares because the Custodian will not effect the Fund's side of the transaction (the delivery of Fund Securities and the Cash Redemption Payment) until the Transfer Agent has received confirmation of receipt of the Authorized Participant's incoming Creation Unit Aggregations. In order to simplify the transfer agency process and align the settlement of iShares of the Funds with the settlement of the Deposit Securities and Fund Securities, Applicants plan to settle transactions in U.S. government securities, corporate bonds, non-corporate bonds (other than U.S. government securities) and iShares on the same T + 3 settlement cycle. The issuer does not believe that the clearing and settlement process will affect the arbitrage of iShares of the Funds.

*F. Dividends and Distributions*

Dividends from net investment income will be declared and paid to Beneficial Owners of record at least annually by each Fund. Certain of the Funds may pay dividends, if any, on a quarterly or more frequent basis. Distributions of realized securities gains, if any, generally will be declared and paid once a year, but each Fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code and consistent with the 1940 Act.

Dividends and other distributions on iShares of each Fund will be distributed on a pro rata basis to Beneficial Owners of such iShares. Dividend payments will be made through the Depository and the DTC Participants to Beneficial Owners then of record with amounts received from each Fund.

The Trust will not make the DTC book-entry Dividend Reinvestment Service (the ''Service'') available for use by Beneficial Owners for reinvestment of their cash proceeds, but certain individual brokers may make the Service available to their clients. The SAI will inform investors of this fact and direct interested investors to contact such investor's broker to ascertain the availability and a description of the Service through such broker. The SAI will also caution interested Beneficial Owners that they should note that each broker may require investors to adhere to specific procedures and timetables in order to participate in the Service and such investors should ascertain from their broker such necessary details. iShares acquired pursuant to the Service will be held by the Beneficial Owners in the same manner, and subject to the same terms and conditions, as for original ownership of iShares.

*G. Other Issues*

1. *Criteria for Initial and Continued Listing.* iShares are subject to the criteria for initial and continued listing of Investment Company Units in Section 703.16 of the Manual. It is anticipated that a minimum of two Creation Units (100,000 iShares) will be required to be outstanding at the start of trading. This minimum number of iShares required to be outstanding at the start of trading will be comparable to requirements that have been applied to previously traded series of Investment Company Units.

The Exchange believes that the proposed minimum number of iShares outstanding at the start of trading is sufficient to provide market liquidity and to further the Trust's objective to seek to provide investment results that correspond generally to the price and yield performance of the Index.

2. *Original and Annual Listing Fees.* The original listing fees that would be applicable to the Funds if listed on the

Exchange is $5,000 for each Fund. In addition, the annual listing fees applicable to the Funds is $2,000 for each Fund.

3. *Stop and Stop Limit Orders.* Commentary .30 to Exchange Rule 13 provides that stop and stop limit orders in an Investment Company Unit shall be elected by a quotation, but specifies that if the electing bid on an offer is more than 0.10 points away from the last sale and is for the specialist's dealer account, prior Floor Official approval is required for the election to be effective. This rule applies to Investment Company Units generally, including fixed income ETFs.

4. *Rule 460.10.* Rule 460.10 generally precludes certain business relationships between an issuer and the specialist in the issuer's securities. Exceptions in the Rule permit specialists in ETF shares, including fixed income ETFs, to enter into Creation Unit transactions through the Distributor to facilitate the maintenance of a fair and orderly market. A specialist Creation Unit transaction may only be effected on the same terms and conditions as any other investor, and only at the net asset value of the ETF shares. A specialist may acquire a position in excess of 10% of the outstanding issue of the ETF shares, provided, however, that a specialist registered in a security issued by an investment company may purchase and redeem the investment company unit or securities that can be subdivided or converted into such unit, from the investment company as appropriate to facilitate the maintenance of a fair and orderly market in the subject security.

5. *Prospectus Delivery.* Pursuant to Exchange Rule 1100, the Exchange, in an Information Circular to Exchange members and member organizations, will inform members and member organizations, prior to commencement of trading, of the prospectus or Product Description delivery requirements applicable to iShares. The Applicants have filed with the Commission's Division of Investment Management a separate request for an exemptive order granting relief from certain prospectus delivery requirements under Section 24(d) of the 1940 Act.[15] Any product description used in reliance on a Section 24(d) exemptive order will comply with all representations made therein and all conditions thereto.

6. *Trading Halts.* In order to halt the trading of a fixed income ETF, the Exchange may consider, among other things, factors such as the extent to which trading is not occurring in underlying security(s); whether trading has been halted or suspended in the primary market(s) for any combination of underlying stocks accounting for 20% or more of the applicable current portfolio value; and whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

7. *Suitability.* Pursuant to Exchange Rule 405, before a member, member organization, allied member or employee of such member organization undertakes to recommend a transaction in ETF shares, including fixed income ETFs, such member or member organization should make a determination that such shares are suitable for such customer. If any recommendation is made with respect to such shares, the person making the recommendation should have a reasonable basis for believing at the time of making the recommendation, that the customer has such knowledge and experience in financial matters that he or she may reasonably be expected to be capable of evaluating the risks and any special characteristics of the recommended transaction, and is financially able to bear the risks of the recommended transaction.

8. *Purchases and Redemptions in Creation Unit Size.* In the Information Circular referenced above, members and member organizations will be informed that procedures for purchases and redemptions of iShares in Creation Unit Size are described in the Fund prospectus and Statement of Additional Information, and that iShares are not individually redeemable but are redeemable only in Creation Unit Size aggregations or multiples thereof.

9. *Surveillance.* Exchange surveillance procedures applicable to trading in the proposed iShares are comparable to those applicable to other Investment Company Units currently trading on the Exchange. The Exchange represents that its surveillance procedures are adequate to properly monitor the trading of the Funds.[16]

10. *Hours of Trading/Minimum Price Variation.* The Funds will trade on the Exchange until 4:15 p.m. (Eastern time). The minimum price variation for quoting will be $0.01.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Exchange Act,[17] in general and furthers the objectives of Section 6(b),[18] in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transaction in securities, and, in general to protect investors and the public interest.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

The Exchange has neither solicited nor received written comments on the proposed rule change.

## III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Exchange Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to File No. SR–NYSE–2002–26 and should be submitted by August 30, 2002.

## IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

After careful review, the Commission finds that implementation of the

[15] *See* Investment Company Act Release No. 25595 (May 29, 2002), 67 FR 38684 (June 5, 2002) (Notice of Application for iShares, Inc., the Advisor, the Distributor, and the Trust). The Commission has granted such prospectus relief. *See* Investment Company Act Release No. 25623 (June 25, 2002).

[16] Telephone call between Janet Kissane, Attorney, NYSE, and Jennifer Lewis, Attorney, Division of Market Regulation, Commission, on July 30, 2002.

[17] 15 U.S.C. 78f(b).

[18] 15 U.S.C. 78f(b)(5).

proposed rule change is consistent with the requirements of Section 6 of the Exchange Act [19] and the rules and regulations thereunder applicable to a national securities exchange.[20] Specifically, the Commission believes that the proposal is consistent with Section 6(b)(5) of the Exchange Act.[21] The Commission believes that the Exchange's proposal to list and trade fixed income ETFs (including the trading thereof on a UTP basis) [22] will provide investors with a convenient way of participating in the U.S. government, corporate and non-corporate (other than U.S. government) fixed income markets. The Exchange's proposal should help to provide investors with increased flexibility in satisfying their investment needs by allowing them to purchase and sell securities at negotiated prices throughout the business day that replicate the performance of several portfolios of stocks. The Commission believes that the availability of the Funds will provide an instrument for investors to achieve desired investment results that correspond generally to the price and yield performance of the underlying U.S. Treasury, Government/Credit, or Corporate Bond Index. The investment objective of each Fund will be to provide investment results that correspond generally to the price and yield performance of the underlying index based on fixed income securities. Accordingly, the Commission finds that the Exchange's proposal will facilitate transactions in securities, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.[23]

iShares Trust and iShares, Inc. are each registered in the 1940 Act as an open-ended management investment company with multiple series. iShares Trust has created (or identified for creation) 66 separate series, while iShares, Inc. has created (or identified for creation) 35 separate series. All of these series operate (or will operate) as ETFs pursuant to six prior exemptive orders from the 1940 Act, and each of the ETFs seeks to match the return of an equity securities index. Additionally, the Commission has granted the Funds appropriate relief under various sections of the 1940 Act, including sections 6(c) and 17(b), so that each Fund may register under the 1940 Act as an open-end fund and issue shares that are redeemable in Creation Units, shares of Funds may trade in the secondary market at negotiated prices, and certain persons affiliated with a Fund by reason of owning 5% or more, and in some cases more than 25%, of its outstanding securities may do in-kind purchases and redemptions of Creation Units.[24]

Barclays is registered as an investment adviser under the 1940 Act and serves as the investment adviser to the series of iShares Trust and iShares, Inc. Distributor acts as the principal underwriter and distributor for iShares Trust and iShares, Inc.

iShares Trust will create seven new series each of which operates as an ETF seeking to match the performance of a fixed income securities index. The seven indices are the following:

- Lehman Brothers 1–3 Year U.S. Treasury Index (containing U.S. Treasury securities with remaining maturities of between 1 and 3 years);
- Lehman Brothers 7–10 Year U.S. Treasury Index (containing U.S. Treasury securities with remaining maturities of between 7 and 10 years);
- Lehman 20+ Year U.S. Treasury Index (containing U.S. Treasury securities with remaining maturities of more than 20 years);
- Lehman U.S. Treasury Index (containing U.S. Treasury securities with remaining maturities of more than 1 year);
- Lehman Government/Credit Index (containing certain investment grade government and credit securities with maturities of more than 1 year);
- Lehman Credit VLI Index (containing the largest issues of investment grade credit securities with remaining maturities of more than 1 year); and
- Goldman Sachs InvesTop Index (containing the 100 most liquid and representative bonds in the U.S. investment grade corporate market with remaining maturities of at least 3 years).[25]

The Commission notes that this is the first ETF based on an underlying index of fixed income securities (''Fixed Income ETFs''). The Funds will operate in substantially the same manner as Equity ETFs. Like many other ETFs, each Fund will use a representative sampling strategy to track its index. With a sampling strategy, a Fund will seek to match the return of its index by holding some, but not all, of the fixed income securities contained in its underlying index. In constructing the portfolio for a Fund, Barclays will select a sample of bonds that will correlate to the duration, sector, credit rating, coupon, and embedded option characteristics of the underlying index as a whole. Barclays may also exclude less liquid bonds in order to create a more tradable portfolio to enhance arbitrage efficiency. As with its Equity ETFs, Barclays represents that the Funds will have a tracking error relative to the performance of their respective underlying indices of no more than 5%.

Shares of the Funds will be issued and redeemed in Creation Units priced at NAV in exchange for Portfolio Deposits and Redemption Baskets consisting of Bonds selected and announced by Barclays at the beginning of each business day.

The Commission finds that the Funds will provide benefits to investors in allowing investors to trade baskets of bonds in a single transaction at a cost comparable to that of trading existing equity securities and will allow investors to trade baskets of bonds throughout the day and thereby permit them to take advantage of (or protect themselves against) intra-day market movements. The Funds may make it easier for individual investors to diversify their portfolios across a broader range of assets and will provide institutional and other large investors with an alternative to futures for various hedging and other investment strategies that involve fixed income securities. Finally, the Funds will provide investors with a fund product that discloses its portfolio on a daily basis rather than semi-annually.

While the Funds will be operated in a manner that closely parallels the

[19] 15 U.S.C. 78f.

[20] In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[21] 15 U.S.C. 78f(b)(5).

[22] The Commission notes that, pursuant to Rule 12f–5 under the Act, prior to trading a particular class or type of security pursuant to UTP, NYSE must have listing standards comparable to those of the primary market on which the security is listed. 17 CFR 240.12f–5. The Commission finds that adequate rules and procedures exist to govern the trading of the Fund on NYSE, pursuant to UTP.

[23] Pursuant to Section 6(b)(5) of the Act, the Commission must predicate approval of exchange trading for new products upon a finding that the introduction of the product is in the public interest. Such a finding would be difficult with respect to a product that served no investment, hedging or other economic functions, because any benefits that might be derived by market participants would likely be outweighed by the potential for manipulation, diminished public confidence in the integrity of the markets, and other valid regulatory concerns.

[24] Investment Company Act Release No. 25622 (June 25, 2002).

[25] As of July 1, 2002, the composition of the Goldman Sachs Index, which underlies the iShares Goldman Sachs Corporate Bond Fund, was expanded from 30 to 100 investment grade bonds, and the index is permitted to include more than one bond per issuer.

manner in which Equity ETFs are operated, one key potential difference may be the efficiency of the arbitrage process. The arbitrage mechanism for Equity ETFs generally has caused the market price of ETF shares to track closely the NAV of the ETF shares. With respect to liquidity of the debt securities likely to be in the ETF portfolios, to the extent these debt securities could not be readily purchased and sold, the arbitrage process would be less efficient. However, the Commission notes that the Funds will invest in some of the most liquid debt securities, including U.S. Government securities and investment grade corporate and non-corporate bonds.[26] In addition, Barclays will employ a sampling method of portfolio management that would allow the Funds to exclude any bonds contained in an underlying index that may not have sufficient liquidity for easy trading. As a result, the Commission believes that the Funds have addressed the liquidity issues that might hamper arbitrage.

In addition, differences in the degree of price transparency in the debt and equity markets could lead to larger discounts and premiums for the Funds than have been experienced by Equity ETFs. Specifically, because the pricing of debt securities can be less transparent than the pricing of equity securities, arbitrageurs might account for pricing uncertainty by waiting for greater premiums or discounts to develop in the market price of the ETF shares before engaging in arbitrage transactions.

The Commission finds that because of the nature of the particular debt securities to be included in the portfolios of the Funds (*i.e.,* U.S. Government securities and investment grade corporate and non-corporate bonds), the pricing information should be available. The Exchange has indicated that real-time price quotes for corporate and non-corporate debt securities are available to institutional investors via proprietary systems such as Bloomberg, Reuters and Dow Jones Telerate. Additional analytical data and pricing information may also be obtained through vendors such as Bridge Information Systems, Muller Data, Capital Management Sciences, Interactive Data Corporation and Barra.

The Exchange has also represented that retail investors would have access to free intra-day bellwether quotes.[27] For instance, the Bond Market Association provides links to price and other bond information sources on its investor web site at *www.investinginbonds.com.* In addition, transaction prices and volume data for the most actively-traded bonds on the exchanges are published daily in newspapers and on a variety of financial websites. Closing corporate and non-corporate bond prices are also available through subscription services (*e.g.,* IDC, Bridge) that provide aggregate pricing information based on prices from several dealers, as well as subscription services from broker-dealers with a large bond trading operation, such as Lehman Brothers and Goldman Sachs & Co.

The Commission also believes that pricing information for the Treasury securities should also be available. Quote and trade information regarding Treasury securities is widely available to market participants from a variety of sources. The electronic trade and quote systems of the dealers and interdealer brokers are one such source. Groups of dealers and interdealer brokers also furnish trade and quote information to vendors such as Bloomberg, Reuters, Bridge, Moneyline Telerate, and CQG.

NYSE represents that every 15 seconds a price calculated by Bloomberg reflecting the current value of the Portfolio Deposit on a per ETF share basis for the Funds will be disseminated. To calculate this intra-day value, Bloomberg intends to use Bloomberg Generic Prices, which are current prices for individual bonds as determined by Bloomberg using an automated pricing program that analyzed multiple bond prices contributed by third-party price contributors such as broker-dealers.[28] Accordingly, NYSE believes that the pricing of the bonds included in the Portfolio Deposit (and in the Redemption Basket) will be transparent to anyone with access to Bloomberg systems. Because the arbitrageurs of ETF shares are generally large institutional investors, including broker-dealers, the Commission believes that these investors likely will have access to Bloomberg systems, as well as other bond pricing information sources that should permit efficient arbitrage to occur. While the Commission believes that differences in the liquidity and pricing transparency of the underlying fixed income markets, as compared to the equity markets, may result in the Funds trading at slightly higher discounts and premiums, the Commission does not believe that this effect is likely to be so substantial as to undermine the benefits that Funds will provide to the markets and to investors. The Commission expects the Exchange to review the discounts or premiums for these products and to respond appropriately if there is in fact a significant pricing disparity.

The Commission has also granted the issuer, Barclays, exemptive relief from Section 24(d) of the 1940 Act so that dealers may effect secondary market transaction in Barclays ETF shares without delivery a prospectus to the purchaser. Instead, under the exemption and under NYSE's listing standards, sales in the secondary market must be accompanied by a ''product description,'' describing the ETF and its shares.[29] The Commission believes a product description, which not only highlights the basic characteristics of the product and the manner in which the ETF shares trade in the secondary market, but also highlights the differences of the Funds from existing equity ETFs and notes the unique characteristics and risks of this product, should provide market participants with adequate notice of the salient features of the product.

The Commission also notes that upon the initial listing of any ETF under Exchange Rule 1100 the Exchange issues a circular to its members explaining the unique characteristics and risks of the security; in this instance, Fixed Income ETFs. In particular, the circular should include, among other things, a discussion of the risks that may be associated with the Funds, in addition to details on the composition of the fixed income indices

[26] The Lehman Government/Credit Index, Lehman Credit VLI Index, and Goldman Sachs InvesTop Index may include investment grade corporate and non-corporate bonds issued by non-U.S. issuers (sovereign, supra-national, foreign agency, and foreign local government). In Barclays' 1940 Act Application, it stated that these bonds will be dollar denominated, registered for sale in the U.S., and traded on U.S. markets at negotiated and readily available prices. Barclays does not believe that these bonds present any unique pricing or liquidity issues and does not expect the bonds to negatively affect arbitrage efficiency. The Commission notes that if any of these major characteristics of these fixed income indices (*e.g.,* investment grade, face amount issued, maturity classification) were to materially change, the Commission would expect NYSE to amend these listing standards accordingly.

[27] Corporate prices are available at 20 minute intervals from Capital Management Services at *www.bondvu.com/quotmenu.htm.*

[28] The Lehman Indices and the Goldman Sachs Index will not be calculated or disseminated intra-day. The value and return of each Lehman Index is updated on a daily basis by Lehman Brothers. The value and return of the Goldman Sachs Index is updated on a daily basis by Goldman Sachs.

[29] Recently approved Nasdaq listing standards for ETFs clarify that NASD members trading equity ETFs through electronic communication networks (''ECNs'') would be subject to NASD Rules 4420(i)(2) and 4420(j)(2) requiring the delivery of product descriptions in connection with sales of ETF shares. *See* Securities Exchange Act Release No. 45920 (May 13, 2002), 67 FR 35605 (May 20, 2002). The Commission expects NASD members to observe the same standards for the secondary market trading of Funds.

upon which they are based and how each Fund would use a representative sampling strategy to track its index. The circular also should note Exchange members' responsibilities under Exchange Rule 405 (''know your customer rule'') regarding transactions in such Fixed Income ETFs. Exchange Rule 405 generally requires that members use due diligence to learn the essential facts relative to every customer, every order or account accepted.[30] The circular also will address members' prospectus delivery requirements as well as highlight the characteristics of purchases in Funds, including that they only are redeemable in Creation Unit size aggregations. Based on these factors, the Commission finds that the proposal to trade the Funds is consistent with Section 6(b)(5) of the Exchange Act.[31]

The Commission also notes that the Exchange's rules and procedures should address the special concerns attendant to the trading of new derivative products. In particular, by imposing the Investment Company Unit listing standards in Exchange Rule 703.16, and addressing the suitability, disclosure, and compliance requirements noted above, the Commission believes that the Exchange has addressed adequately the potential problems that could arise from the derivative nature of the Funds.

In particular, the Commission finds that adequate rules and procedures exist to govern the trading of Investment Company Units, including Funds. Funds will be deemed equity securities subject to NYSE rules governing the trading of equity securities. These rules include: Dealings and Settlements Rules, such as priority, parity, and precedence of orders, market volatility related trading halt provisions pursuant to Exchange Rule 80B, members dealing for their own accounts, specialists, odd-lot brokers, and registered traders, handling of orders and reports; duty to report transactions, comparisons of transactions, marking to the market, delivery of securities, dividends and interest, closing of contracts, and money and security loans;[32] and Operation of Member Organization Rules and Communications with the Public Rules, such as conduct of accounts, margin rules, and advertising. [33] NYSE also will consider halting trading in any series of Investment Company Units under certain other circumstances including those set forth in Exchange Rule 717(b)(iv) regarding the presence of other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market. The Commission believes that the application of these rules should strengthen the integrity of the Funds.

The Commission also notes that certain concerns are raised when a broker-dealer, such as Lehman or Goldman, is involved in the development and maintenance of a stock index upon which an ETF is based. Previously, the Commission noted the importance of an exchange adopting adequate procedures to prevent the misuse of material, non-public information regarding changes to component stocks in a fixed income securities index.[34] Goldman and Lehman each have procedures in place to prevent the misuse of material, non-public information regarding changes to component stocks to the Funds. [35] The Commission believes that these provisions should help to address concerns raised by Goldman and Lehman's involvement in the management of the indices.

The Commission also believes that NYSE has appropriate surveillance procedures in place to detect and deter potential manipulation for similar index-linked products. By applying these procedures to the Funds, the Commission believes that the potential for manipulation should be minimized, while protecting investors and the public interest.

NYSE has requested that the Commission find good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. NYSE has requested accelerated approval because the 1940 Act Application relating to the Funds has been reviewed by the Division of Investment Management and notice of the Application has been published in the **Federal Register**.[36] The Application disclosed the characteristics and risks associated with the Funds. No comments were submitted and the Commission granted the relief requested in the Application.[37] The Funds will trade on the Exchange in the same manner as Investment Company Units previously approved by the Commission. Furthermore, the Commission notes that it recently granted accelerated approval to the request of the Amex to list and trade fixed income ETFs.[38] Based on the above, the Commission finds good cause to accelerate approval of the proposed rule change.

*It is therefore ordered,* pursuant to Section 19(b)(2) of the Exchange Act,[39] that the proposed rule change, (File No. SR–NYSE 2002–26) is hereby approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[40]

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20178 Filed 8–8–02; 8:45 am]

**BILLING CODE 8010–01–P**

[30] Exchange Rule 405.

[31] 15 U.S.C. 78f(b)(f).

[32] Exchange Rules 45–227.

[33] Exchange Rules 325–472.

[34] *See supra,* note 4.

[35] The Commission expects that the procedures implemented by Goldman and Lehman will monitor and prevent the misuse of material, non-public information as it relates to the development, maintenance and calculation of the indices.

[36] Investment Company Act Release No. 25594 (May 29, 2002), 67 FR 38681 (June 5, 2002).

[37] Investment Company Act Release No. 25622 (June 25, 2002).

[38] *See supra,* note 4.

[39] 15 U.S.C. 78s(b)(2).

[40] 17 CFR 200.3–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46306; File No. SR–NYSE–2002–28]**

## Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change by the New York Stock Exchange, Inc. Relating to Certain Exchange Traded Funds (''ETFs'')

August 2, 2002.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 24, 2002, the New York Stock Exchange, Inc. (''NYSE'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and is approving the proposal on an accelerated basis.

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The NYSE proposes to trade on an unlisted trading privileges (''UTP''): (a) Vanguard Total Stock Market VIPERs, (b) iShares Russell 2000 Index Funds, (c) iShares Russell 2000 Value Index Funds and (d) iShares Russell 2000 Growth Index Funds (each an ''ETF'' and collectively ''ETFs''), each of which

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

is a type of Investment Company Unit (''ICU'').

## II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the NYSE included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in item IV below and is set forth in Sections A, B, and C below.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Exchange has adopted listing standards applicable to ICUs which the Exchange states are consistent with the listing criteria currently used by the American Stock Exchange LLC (''Amex'') and other exchanges, and trading standards pursuant to which the Exchange may trade ICUs on the Exchange on an UTP basis.[3] The Exchange now proposes to trade the ETFs on a UTP basis. The ETFs have been listed and actively traded on the Amex[4] and trade on other securities exchanges and in the over-the-counter market. Each of the ETFs meets the ''generic'' listing criteria for ETFs set forth in Section 703.16 of the Manual and Exchange Rule 1100 (''generic listing criteria''), except that certain component stocks of each of the ETFs do not meet the volume requirement, as more fully described in Exhibit A of the Form 19b–4.[5] The information below is intended to provide a brief description of each ETF.[6]

*The Vanguard Total Stock Market VIPERs.* The shares of the Vanguard Total Stock Market VIPERs (''Vanguard Fund'') are based on the Wilshire 5000 Total Market Index (''Wilshire Index''), a domestic securities index. The Wilshire Index is market capitalization weighted. The Vanguard Index Funds, the issuer, is an open-ended management investment company operating nine separate investment portfolios or ''index funds.'' The Wilshire Index consists of stocks traded on the NYSE and AMEX and quoted on NASDAQ. The Vanguard Fund uses a ''passive,'' or indexing, approach to attempt to produce investment results that approximate the investment performance of the Wilshire Index. The Vanguard Fund will not hold all of the stocks that comprise the Wilshire Index, but will attempt to hold a representative sampling of the securities in the Wilshire Index that resembles the entire Wilshire Index. As of July 1, 2002, of those component stocks representing at least 90% of the weight of the Wilshire Index, four of the 1,774 component stocks of the Vanguard Fund did not meet the volume requirement of the generic listing criteria.[7]

*iShares Russell Funds.* The shares of the iShares Russell 2000 Index Fund are based on the Russell 2000 Index. The shares of the iShares Russell 2000 Value Index Fund are based on the Russell 2000 Value Index, and the shares of the iShares Russell 2000 Growth Index Fund are based on the Russell 2000 Growth Index (the iShares Russell 2000 Index Fund, iShares Russell 2000 Value Index Fund and the iShares Russell 2000 Growth Index Fund are collectively referred to as the ''iShares Russell Funds''). The Russell Indices are domestic securities indices. Each of the Russell Indices is market capitalization weighted. The iShares Trust, the issuer, is an open-ended management investment company operating 50 separate investment portfolios or ''index funds.'' The Russell Indices consist of stocks traded on the NYSE and AMEX and quoted on NASDAQ. Each of the iShares Russell Funds uses a ''passive,'' or indexing, approach to attempt to produce investment results that approximate the investment performance of the relevant Russell Index. The iShares Russell 2000 and Russell 2000 Value Index Funds will not hold all of the stocks that comprise the relevant Russell Index, but will attempt to hold a representative sampling of the securities in the relevant Russell Index that resembles the entire relevant Russell Index. The iShares Russell 2000 Growth Index Fund will invest in substantially all of the securities in the Russell 2000 Growth Index in approximately the same proportions as in the underlying Russell 2000 Growth Index. As of June 28, 2002, of those component stocks representing at least 90% of the weight of the index: (a) 51 of 1,243 component stocks of the iShares Russell 2000 Value Index Fund, (b) 32 of 1,218 component stocks of the iShares Russell 2000 Growth Index Fund, and (c) 75 of 1,878 component stocks of the iShares Russell 2000 Index Fund did not meet the volume requirement of the generic listing criteria.[8]

As with all ETFs, the Exchange will distribute an information circular to its members in connection with the trading of the ETFs. The circular will discuss the special characteristics and risks of trading this type of security. Specifically, the circular, among other things, will discuss what the ETFs are, how they are created and redeemed, the requirement that members and member firms deliver a prospectus to investors purchasing shares of the ETFs prior to or concurrently with the confirmation of a transaction,[9] applicable Exchange rules, dissemination information, trading information and the applicability of suitability rules. The

[3] In 1996, the Commission approved Section 703.16 of the *Exchange's Listed Company Manual* (''Manual''), which sets forth the rules related to the listing of ICUs. *See* Securities Exchange Act Release No. 36923 (March 5, 1996), 61 FR 10410 (March 13, 1996). In 2000, the Commission also approved the Exchange's generic listing standards for the listing and trading, or the trading pursuant to UTP, of ICUs under Section 703.16 of the Manual and Exchange Rule 1100. *See* Securities Exchange Act Release No. 43679 (December 5, 2000), 65 FR 77949 (December 13, 2000).

[4] Amex began trading the iShares Russell Funds in 2000 and the Vanguard Total Stock Market VIPERs in 2001. *See www.iShares.com; www.vanguard.com.*

[5] Section 703.16(b)(2)(b) of the Manual requires that ''the component stocks representing at least 90 percent of the weight of the index or portfolio must have a minimum monthly trading volume during each of the last six months of at least 250,000 shares.''

[6] The Exchange represents that much of the information in this filing was taken from the Prospectus of iShares Trust dated as of August 1, 2002, as supplemented, the Prospectus of The Vanguard Group dated as of April 26, 2002, as supplemented, and from the websites of the Amex (*www.Amex.com*), iShares (*www.iShares.com*) and Vanguard (*www.vanguard.com*). In addition, some information relating to the Vanguard Fund was taken from the Application for an Order under Section 6(c) of the Investment Company Act of 1940 for Certain Exemptions, Release No. IC–24680 (October 6, 2000). Fund information relating to Net Value Asset (''NAV''), returns, dividends, component stock holdings and the like are updated on a daily basis on the websites.

[7] *See www.Amextrader.com.* Telephone conversation between Janet M. Kissane, Office of General Counsel, NYSE, and Florence E. Harmon, Senior Special Counsel, Division of Market Regulation (''Division''), Commission, on August 2, 2002.

[8] Telephone conversation between Janet M. Kissane, Office of General Counsel, NYSE, and Florence E. Harmon, Senior Special Counsel, Division, Commission, on August 2, 2002.

[9] The Commission has granted the iShares Russell Funds an exemption from Section 24(d) of the Investment Company Act of 1940. *See* Investment Company Act Release No. 25623 (June 25, 2002). The Commission granted the Vanguard Fund an exemption from Section 24(d) of the Investment Company Act of 1940. *See* Investment Company Act Release No. 24789 (December 12, 2000). Thus, the Exchange, in an Informational Circular to Exchange members and member organizations, will inform members and member organizations, prior to commencement of trading, of the prospectus or Product Description delivery requirements applicable to iShares Russell Funds or the Vanguard Fund. Any product description used in reliance on the Section 24(d) exemptive order will comply with all representations made and all conditions contained in the Application for the Order. Telephone conversation between Janet M. Kissane, Office of General Counsel, NYSE, and Florence E. Harmon, Senior Special Counsel, Division, Commission, on August 2, 2002.

Exchange also intends to utilize its existing surveillance procedures to monitor trading in the ETFs, including surveilling specialist compliance with Exchange Rule 460.10, which contemplates specialists engaging in transactions with the ETF issuers under certain circumstances.[10]

2. Statutory Basis

The Exchange believes that the proposed rule change is existent with Section 6(b) of the Act [11] in general, and furthers the objectives of Section 6(b)(5) of the Act [12] in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

The Exchange has neither solicited nor received written comments on the proposed rule change.

**III. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change**

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b)(5).[13] The Commission believes that the Exchange's proposal to trade (a) Vanguard Fund, (b) iShares Russell 2000 Index Funds, (c) iShares Russell 2000 Value Index Funds and (d) iShares Russell 2000 Growth Index Funds pursuant to the UTP will provide investors with a convenient way of participating in the securities markets and could produce added benefits to investors through the increased competition between other market centers trading the product. Specifically, the Commission believes that NYSE's proposal should help provide investors with increased flexibility in satisfying their investment needs, by allowing them to purchase and sell at negotiated prices throughout the trading day securities that replicate the performance of several portfolios of stock,[14] and by increasing the availability of ETFs as an investment tool. Accordingly, as discussed below, the rule proposal is consistent with the requirements of Section 6(b)(5) that Exchange rules facilitate transactions in securities, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.[15]

*A. Trading of the ETFs on NYSE Pursuant to UTP*

The Commission notes that, pursuant to Rule 12f–5 under the Act,[16] prior to trading a particular class or type of security pursuant to UTP, NYSE must have listing standards comparable to those of the primary market on which the security is listed. The Commission finds that adequate rules and procedures exist to govern the trading of the ETFs on NYSE, pursuant to UTP. ETF shares will be deemed equity securities subject to NYSE's rules governing the trading of equity securities. Accordingly, the Exchange's existing general rules that currently apply to the trading of equity securities will also apply to the ETFs. In addition, Section 703.16 of the NYSE's *Manual* and Exchange Rule 1100 [17] which contain specific listing and delisting criteria to accommodate the trading of Units, will apply to the trading of the ETFs.[18] These criteria should help to ensure that a minimum level of liquidity will exist to allow for the maintenance of fair and orderly markets. The delisting criteria allow the Exchange to consider the suspension of trading and the delisting of a series of Units, including suspending trading in the ETFs traded on the Exchange pursuant to UTP, if an event were to occur that made further dealings in such securities inadvisable. This will give the Exchange flexibility to suspend trading in the ETFs if circumstances warrant such action. Accordingly, the Commission believes that NYSE's equity rules in general, and Section 703.16 of the Manual and Exchange Rule 1100 in particular, provide adequate safeguards to prevent manipulative acts and practices and to protect investors and the public interest.[19]

*B. Disclosure*

The Commission believes that NYSE's proposal should provide for adequate disclosure to investors relating to the terms, characteristics, and risks of trading the ETFs. All investors in the ETFs, including those purchasing the ETFs on NYSE pursuant to UTP, will receive a prospectus or a Product Description [20] regarding the product. The prospectus or Product Description will address the special characteristics of the ETFs, including a statement regarding their redeemability and method of creation, and that ETF shares are not individually redeemable.

The Commission notes that the Exchange has represented that it will also distribute an information circular to all NYSE members prior to the commencement of trading of the ETFs explaining the unique characteristics and risks of the Funds. The circular will note, for example, Exchange member responsibilities, including that, before an Exchange member undertakes to recommend a transaction in the ETFs, it should make a determination that it is in compliance with applicable rules of other self-regulatory organizations of

[10] The Exchange represents that Exchange Rule 460.10 generally precludes certain business relationships between an issuer and the specialist in the issuer's securities. The Exchange further represents that Exceptions in the Rule permit specialists in ETF shares to enter into Creation Unit transactions through the Distributor to facilitate the maintenance of a fair and orderly market. A specialist Creation Unit transaction may only be affected on the same terms and conditions as any other investor, and only at the net asset value of the ETF shares. A specialist may acquire a position in excess of 10% of the outstanding issue of the ETF shares, provided, however, that a specialist registered in a security issued by an investment company may purchase and redeem the investment company unit or securities that can be subdivided or converted into such unit, from the investment company as appropriate to facilitate the maintenance of a fair and orderly market in the subject security.

[11] 15 U.S.C. 78f(b).

[12] 15 U.S.C. 78f(b)(5).

[13] 15 U.S.C. 78f(b)(5).

[14] The Commission notes that unlike typical open-end investment companies, where investors have the right to redeem their fund shares on a daily basis, investors in ETFs can redeem them in creation unit size aggregations only.

[15] In approving this rule, the commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[16] 17 CFR 240.12f–5.

[17] The Commission approved generic rules for the listing and trading of ICUs on NYSE in 2000. *See* Securities Exchange Act Release No. 43679 (December 5, 2000), 65 FR 77949 (December 13, 2000).

[18] The Commission notes the listing and delisting criteria is similar to those adopted by Amex.

[19] The Commission also believes that the proposed rule change should help protect investors and the public interest, and help perfect the mechanisms of a national market system, in that it will allow for the trading of the ETFs on NYSE pursuant to UTP, making the ETFs more broadly available to the investing public.

[20] *See* Investment Company Release No. 25623 (June 25, 2002); Investment Company Release No. 24789 (December 12, 2000).

which it is a member, including suitability rules.[21] The circular will also address members' responsibility to deliver a prospectus to all investors purchasing the ETF, as well as highlight the characteristics of the ETF, including that ETF shares are only redeemable in Creation Unit size aggregation.[22]

*C. Dissemination of the Fund Portfolio Information*

The Commission believes that since Amex is disseminating an estimate of the Value (''Values'') of a share for the various ETFs, investors will be provided with timely and useful information concerning the value of the ETFs, on a per Fund basis. The Commission notes that the information is disseminated through facilities of the CTA and reflects the currently available information concerning the value of the assets comprising the deposit securities. The information is disseminated every fifteen seconds during the hours of 9:30 a.m. to 4 p.m. Eastern Standard Time and will be available to all investors, irrespective of where the transaction is executed.[23] In addition, because the value is expected to closely track the applicable ETF, the Commission believes the Values will provide investors with adequate information to determine the intra-day value of a given ETF.

*D. Surveillance*

The Commission notes that NYSE has submitted surveillance procedures for the ETFs and believes that those procedures are adequate to address concerns associated with the listing and trading of such securities, including any concerns associated with specialists purchasing and redeeming Creation Units. The Exchange has represented that its surveillance procedures should allow it to identify situations where specialists purchase or redeem Creation Units to ensure compliance with NYSE Rule 460.10, which requires that such purchases or redemptions facilitate the maintenance of a fair and orderly market in the subject security.

*E. Specialists*

The Commission finds that it is consistent with the Act to allow a specialist registered in a security issued by an Investment Company to purchase or redeem the listed security from the issuer as appropriate to facilitate the maintenance of a fair and orderly market in that security. The Commission believes that such market activities should enhance liquidity in such security and facilitate a specialist's market making responsibilities. In addition, because the specialist only will be able to purchase and redeem ETF shares on the same terms and conditions as any other investor (and only at the NAV), and Creation transactions must occur through the distributor and not directly with the issuer, the Commission believes that concerns regarding potential abuse are minimized. As noted above, the Exchange's surveillance procedures also should ensure that such purchases are only for the purpose of maintaining fair and orderly markets, and not for any other improper or speculative purposes. Finally, the Commission notes that its approval of this aspect of the Exchange's rule proposal does not address any other requirements or obligations under the Federal securities laws that may be applicable.[24]

After careful review, the Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register** pursuant to Section 19(b)(2) of the Act.[25] The Commission finds that this proposal is similar to several approved instruments currently listed and traded on the Exchange. Accordingly, the Commission finds that the listing of the ETFs on a UTP basis is consistent with the Act and will promote just and equitable principles of trade, foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, and, in general, protect investors and the public interest consistent with Section 6(b)(5) of the Act,[26] to approve the proposal on the accelerated basis. The Commission further finds that accelerated approval will enable the Exchange to accommodate the timetable for trading ETFs on the Exchange.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room.

Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to the file number SR–NYSE–2002–28 and should be submitted by August 30, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[27]

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20179 Filed 8–8–02; 8:45 am]

BILLING CODE 8010–01–P

[21] Telephone conversation between Janet M. Kissane, Office of General Counsel, NYSE, and Florence E. Harmon, Senior Special Counsel, Division, Commission, on August 2, 2002.

[22] The Commission notes that the information circular should also discuss exemptive relief granted by the Commission from certain rules under the Act. The applicable rules are: Rule 10a–1, Rule 10b–10; Rule 14e–5; Rule 10b–17; Rule 11d1–2; Rules 15c1–5 and 15c1–6; and Rules 101 and 102 of Regulation M under the Exchange Act.

[23] Telephone conversation between Janet M. Kissane, Office of General Counsel, NYSE, and Florence E. Harmon, Senior Special Counsel, Division, Commission, on August 2, 2002.

[24] The Commission notes that with respect to the ETFs, broker-dealers and other persons are cautioned in the prospectus and/or the ETF's Statement of Additional Information that some activities on their part may, depending on the circumstances, result in their being deemed statutory underwriters and subject them to the prospectus delivery and liability provisions of the Securities Act of 1933.

[25] 15 U.S.C. 78s(b)(2).

[26] 15 U.S.C. 78f(b)(5).

[27] 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–46312; File No. SR–OCC–2002–06]**

## Self-Regulatory Organizations; the Options Clearing Corporation; Notice of Filing of Proposed Rule Change Relating to Adjustment Procedures for Security Futures

August 5, 2002.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on April 12, 2002, The Options Clearing Corporation (''OCC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by OCC. The

[1] 15 U.S.C. 78s(b)(1).

Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The proposed rule change would amend OCC's adjustment procedures for stock futures to provide for adjusting stock futures contracts to compensate for special cash dividends and for rights distributions that expire in the money during the life of the futures contract.[2]

**II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, OCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.[3]

*(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

The proposed rule change would amend OCC's adjustment procedures for stock futures to provide for adjusting stock futures contracts to compensate for special cash dividends and for rights distributions that expire in the money during the life of the futures contract. Security futures markets and certain firms interested in trading stock futures have expressed to OCC their belief that in order for stock futures to be successful they must replicate a position in the underlying stock as closely as possible. This means that, among other things, if an unanticipated corporate event (*i.e.*, an event that cannot be discounted in futures prices) materially affects the value of an underlying stock, the terms of futures contracts on that stock should be adjusted to compensate for the event. There are two types of corporate events that cause particular concern from this perspective: (1) special (*i.e.*, non-recurrent) cash dividends and (2) rights distributions. OCC does not, as a general rule, adjust options for cash dividends unless the amount of the dividend exceeds 10 per cent of the value of the underlying stock. If the holder of a call option wants to capture a dividend below that threshold, he can do so by exercising although at the cost of losing the remaining time value of his option. The holder of a long stock future would not have that ability. Recurrent cash dividends are not regarded as a problem because they can be anticipated and discounted in futures settlement prices. But there is no economical way for holders of long stock futures positions to ensure themselves the benefit of unscheduled dividends.

Similarly, if the issuer of an underlying stock declares a rights distribution and the rights will expire before the options do, the holder of a call option can capture the value of the rights by exercising the option before the rights expire. In contrast, the holder of a long stock future would have no way of obtaining the benefit of a rights distribution if the rights expire before the future does.

OCC's rules currently specify adjustment procedures for stock futures that generally parallel the adjustment rules for options. These procedures do not take into account the economic differences between options and futures discussed above. The security futures markets and firms interested in trading stock futures believe strongly that OCC's adjustment provisions should accommodate these differences.[4]

The proposed rule change is intended to address that concern. OCC's by-laws presently provide that, as a general rule, outstanding stock futures contracts will not be adjusted to compensate for ordinary cash dividends. A cash dividend is deemed ''ordinary'' if the amount does not exceed 10 percent of the value of the underlying stock on the declaration date. The proposed rule change would amend the by-laws to provide that in the case of stock futures, a cash dividend would be deemed ''ordinary'' if OCC determined that it was declared pursuant to a policy or practice of paying such dividends on a quarterly or other regular basis regardless of the size of the cash dividend.[5] This change recognizes that market pricing mechanisms can compensate for anticipated cash dividends. Because the market cannot anticipate and price for special dividends, the proposed rule change would provide for adjustments to outstanding stock futures when a company pays a special (*i.e.*, non-recurring) cash dividend without regard to size. This would be done through a one-time adjustment in the futures settlement price that has the effect of causing the short to pass the value of the dividend to the long.

OCC's by-laws currently provide that outstanding stock futures will not be adjusted to compensate for rights distributions where the rights expire before the maturity date of the future. Under the proposed rule change, if rights would expire before they were to be delivered under a stock futures contract, then the futures would be adjusted through a one-time adjustment in the futures settlement price in an amount equal to the value of the rights as determined by OCC. OCC's good-faith determination of value would be conclusive and binding on investors.

Interpretation .11, which applies only to certain types of adjustments, is being deleted because OCC has concluded that it is likely to be more confusing than useful.

The proposed rule change is consistent with the requirements of section 17A of the Act[6] and the rules and regulations thereunder applicable to OCC because it promotes the prompt and accurate clearance and settlement of securities transactions, fosters cooperation and coordination with persons engaged in the clearance and settlement of securities transactions, removes impediments to and perfects the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions, and, in general protects investors and the public interest.

*(B) Self-Regulatory Organization's Statement on Burden on Competition*

OCC does not believe that the proposed rule change would impose any burden on competition.

*(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

Written comments relating to the proposed rule change have not yet been solicited or received. OCC will notify the Commission of any written comments received by OCC.

[2] Article I of OCC's By-Laws defines''stock future'' as ''a security future for which the underlying security is an equity security.''

[3] The Commission has modified the text of the summaries prepared by OCC.

[4] Although this would cause the adjustment procedures for stock futures to diverge from those applicable to equity options, the consensus among prospective markets and market participants appears to be that it is more important to avoid discontinuity between stock futures and the underlying stocks than between futures and options.

[5] Quarterly stock dividends would also be deemed ''ordinary'' regardless of size. Stock futures contracts would ordinarily be adjusted for other stock distributions, even if recurrent (*e.g.*, annual), to avoid creating an unnecessary discontinuity with equity options.

[6] 15 U.S.C. 78q–1.

### III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of OCC. All submissions should refer to File No. SR–OCC–2002–06 and should be submitted by August 30, 2002.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[7]

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02–20181 Filed 8–8–02; 8:45 am]

BILLING CODE 8010–01–P

[7] 17 CFR 200.30–3(a)(12).

## DEPARTMENT OF STATE

**[Public Notice 4094]**

### Office of the Coordinator for Counterterrorism; Designation of Foreign Terrorist Organizations

**AGENCY:** Department of State.

**ACTION:** Designation of foreign terrorist organizations.

Pursuant to section 219 of the Immigration and Nationality Act (''INA''), as added by the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104–132, § 302, 110 Stat. 1214, 1248 (1996), and amended by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, Public Law 104–208, 110 Stat. 3009 (1996), the Secretary of State hereby designates, effective August 9, 2002, the following organization as foreign terrorist organizations:

The Communist Party of the Philippines, also known as the CPP, also known as the New People's Army, also known as the NPA.

Dated: August 2, 2002.

**Timothy Egert,**

*Federal Register Liaison, Department of State.*

[FR Doc. 02–20242 Filed 8–8–02; 5:00 pm]

BILLING CODE 4710–10–P

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

### Aviation Proceedings, Agreements Filed During the Week Ending July 26, 2002

The following Agreements were filed with the Department of Transportation under the provisions of 49 U.S.C. Sections 412 and 414. Answers may be filed within 21 days after the filing of the application.

*Docket Number:* OST–2002–12909.
*Date Filed:* July 22, 2002.
*Parties:* Members of the International Air Transport Association.
*Subject:* CAC/30/Meet/008/02 dated July 5, 2002 r–1 to r–8; Minutes—CAC/30/Meet/006/02 dated May 28, 2002; Intended effective date: October 1, 2002.

*Docket Number:* OST–2002–12920.
*Date Filed:* July 23, 2002.
*Parties:* Members of the International Air Transport Association.
*Subject:* PTC12 USA–EUR 0138 dated 25 June 2002, North Atlantic–USA–Europe (except between Austria,Czech Republic, France, Germany, Italy, Netherlands,Scandinavia) r1–r20; PTC12 USA–EUR 0140 dated 28 June 2002,Technical Correction; PTC12 USA–EUR 0143 dated 16 June 2002,Technical Correction; PTC12 USA–EUR 0139 dated 25 June 2002,North Atlantic–USA–Austria, Czech Republic, France,Germany, Italy, Netherlands, Scandinavia r21–r41,Minutes—PTC12 USA–EUR 0142 dated 16 July 2002,Tables—PTC12 USA–EUR FARES 0070 dated 28 June 2002,Intended effective date: 1 November 2002.

*Docket Number:* OST–2002–12921.
*Date Filed:* July 23, 2002.
*Parties:* Members of the International Air Transport Association.
*Subject:* CSC/24/Meet/006/2002 dated June 21, 2002, Finally Adopted Resolutions r1–r2,Minutes—CSC/24/Meet/007/2002 dated June 21, 2002,Intended effective date: 1 October 2002.

*Docket Number:* OST–2002–12934.
*Date Filed:* July 25, 2002.
*Parties:* Members of the International Air Transport Association.
*Subject:* PTC12 USA–EUR Fares 0071 dated 19 July 2002, Resolution 015h–USA Add-on Amounts between USA and UK,Intended effective date: 1 October 2002.

**Dorothy Y. Beard,**

*Federal Register Liaison.*

[FR Doc. 02–20250 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–62–P

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

### Aviation Proceedings, Agreements Filed During the Week Ending July 19, 2002

The following Agreements were filed with the Department of Transportation under the provisions of 49 U.S.C. Sections 412 and 414. Answers may be filed within 21 days after the filing of the application.

*Docket Number:* OST–2002–12830.
*Date Filed:* July 15, 2002.
*Parties:* Members of the International Air Transport Association.
*Subject:* PTC12 USA–EUR 0141 dated 16 July 2002, Mail Vote 225—Resolution 010x r1–r4, TC12 USA-Europe (except Austria, Czech Republic, France, Germany, Iceland, Italy, Netherlands, Scandinavia), Special Passenger Amending Resolution from Spain to USA, Intended effective date: 1 November 2002/1 March 2003.

*Docket Number:* OST–2002–12861.
*Date Filed:* July 17, 2002.
*Parties:* Members of the International Air Transport Association.
*Subject:* PTC2 EUR–ME 0141 dated 12 July 2002, TC2 Europe-Middle East

Expedited Resolution 002pp r1, PTC2 EUR–ME 0142 dated 12 July 2002, TC2 Europe-Middle East Expedited Resolution 002qq r2, PTC2 EUR–ME 0143 dated 12 July 2002, TC2 Europe-Middle East Expedited Resolutions 002y, 015v r3–r4, Intended effective date: 1 September 2002/1 October 2002/ 1 November 2002.

*Docket Number:* OST–2002–12874.

*Date Filed:* July 18, 2002.

*Parties:* Members of the International Air Transport Association.

*Subject:* PTC12 CAN–EUR 0083 dated 28 June 2002, TC12 Canada-Europe, Resolutions r1–r21, Minutes—PTC12 CAN–EUR 0084 dated 16 July 2002, Tables—PTC12 CAN–EUR Fares 0028 dated 5 July 2002, PTC12 CAN–EUR Fares 0029 dated 9 July 2002, Intended effective date: 1 November 2002.

**Dorothy Y. Beard,**

*Federal Register Liaison.*

[FR Doc. 02–20251 Filed 8–8–02; 8:45 am]

**BILLING CODE 4910–62–P**

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

### Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart B (Formerly Subpart Q) During the Week Ending July 19, 2002

The following applications for certificates of public convenience and necessity and foreign air carrier permits were filed under subpart B (formerly subpart Q) of the Department of Transportation's procedural regulations (See 14 CFR 301.201 *et seq.*). The due date for answers, conforming applications, or motions to modify scope are set forth below for each application. Following the answer period dot may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

*Docket Number:* OST–2002–12683.

*Date Filed:* July 19, 2002.

*Due Date for Answers, Conforming Applications, or Motion to Modify Scope:* August 9, 2002.

*Description:* Application of Evergreen International Airlines, Inc., pursuant to Order 2002–6–20, 49 U.S.C. Section 41102 and Subpart B, requesting a certificate of public convenience and necessity to engage in scheduled foreign air transportation of property and mail between a point or points in the United States, via intermediate points, and the co-terminal points Manaus and Sao Paulo, Brazil. Evergreen further requests, authority to integrate this authority with its existing certificate and exemption authority and to commingle traffic consistent with applicable aviation agreements. In addition, Evergreen requests designation as the fourth U.S.-Brazil all-cargo airline and an allocation of four weekly round trip frequencies.

*Docket Number:* OST–2002–12683.

*Date Filed:* July 19, 2002.

*Due Date for Answers, Conforming Applications, or Motion to Modify Scope:* August 9, 2002.

*Description:* Application of Amerijet International, Inc., pursuant to 49 U.S.C. Section 41102 and Subpart B, and the provisions of Order 2002–6–20, requesting a certificate of public convenience and necessity and allocation of frequencies, authorizing it to provide scheduled foreign air transportation of property and mail between the United States and Brazil.

*Docket Number:* OST–2002–12683.

*Date Filed:* July 19, 2002.

*Due Date for Answers, Conforming Applications, or Motion to Modify Scope:* August 9, 2002.

*Description:* Application of Gemini Air Cargo, Inc., pursuant to Order 2002–6–20, requesting certificate of public convenience and necessity to operate scheduled foreign air transportation of property and mail from a point or points in the United States; via intermediate points; to Manaus, Brasilia, Rio de Janeiro, Sao Paulo, Recife, Porto Alegre, Belem, Belo Horizonte, and Salvador de Bahia, Brazil; and beyond Brazil to Argentina, Uruguay, Paraguay, and Chile. Gemini seeks designation as a U.S. scheduled all-cargo carrier to Brazil, and asks the Department to allocate to Gemini the four all-cargo frequencies that are presently available.

**Dorothy Y. Beard,**

*Federal Register Liaison.*

[FR Doc. 02–20252 Filed 8–8–02; 8:45 am]

**BILLING CODE 4910–62–P**

## DEPARTMENT OF TRANSPORTATION

### Coast Guard

**[USCG 2002–12146]**

### Information Collection Under Review by the Office of Management and Budget (OMB): 2115–0050 (Bridge Permit Application Guide)

**AGENCY:** Coast Guard, DOT.

**ACTION:** Request for comments.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995, this request for comments announces that the Coast Guard has forwarded one Information Collection Report (ICR) abstracted below to the Office of Information and Regulatory Affairs (OIRA) of the Office of Management and Budget (OMB) for review and comment. Our ICR describes the information we seek to collect from the public. Review and comment by OIRA ensures that we impose only paperwork burdens commensurate with our performance of duties.

**DATES:** Please submit comments on or before September 9, 2002.

**ADDRESSES:** To make sure that your comments and related material do not enter the docket [USCG 2002–12146] more than once, please submit them by only one of the following means:

(1)(a) By mail to the Docket Management Facility, U.S. Department of Transportation, room PL–401, 400 Seventh Street SW., Washington, DC 20590–0001. (b) By mail to OIRA, 725 17th Street NW., Washington, DC 20503, to the attention of the Desk Officer for the Coast Guard. Caution: Because of recent delays in the delivery of mail, your comments may reach the Facility more quickly if you choose one of the other means described below.

(2)(a) By delivery to room PL–401 at the address given in paragraph (1)(a) above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202–366–9329. (b) By delivery to OIRA, at the address given in paragraph (1)(b) above, to the attention of the Desk Officer for the Coast Guard.

(3) By fax to (a) the Docket Management Facility at 202–493–2251 and (b) OIRA at 202–395–5806, or e-mail to OIRA at *oira_docket@omb.eop.gov* attention: Desk Officer for the Coast Guard.

(4)(a) Electronically through the Web Site for the Docket Management System at *http://dms.dot.gov.* (b) OIRA does not have a website on which you can post your comments.

The Docket Management Facility maintains the public docket for this notice. Comments and material received from the public, as well as documents mentioned in this notice as being available in the docket, will become part of this docket and will be available for inspection or copying at room PL–401 (Plaza level), 400 Seventh Street SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also find this docket on the Internet at *http://dms.dot.gov.*

Copies of the complete ICR are available for inspection and copying in

public dockets. They are available in docket USCG 2002–12146 of the Docket Management Facility between 10 a.m. and 5 p.m., Monday through Friday, except Federal holidays; for inspection and printing on the internet at *http://dms.dot.gov*; and for inspection from the Commandant (G–CIM–2), U.S. Coast Guard, room 6106, 2100 Second Street SW., Washington, DC, between 10 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Barbara Davis, Office of Information Management, 202–267–2326, for questions on this document; Dorothy Beard, Chief, Documentary Services Division, U.S. Department of Transportation, 202–366–5149, for questions on the docket.

**SUPPLEMENTARY INFORMATION**

### Regulatory History

This request constitutes the 30-day notice required by OIRA. The Coast Guard has already published [67 FR 22158 (May 2, 2002)] the 60-day notice required by OIRA. That notice elicited no comments.

### Request for Comments

The Coast Guard invites comments on the proposed collection of information to determine whether the collection is necessary for the proper performance of the functions of the Department. In particular, the Coast Guard would appreciate comments addressing: (1) The practical utility of the collection; (2) the accuracy of the Department's estimated burden of the collection; (3) ways to enhance the quality, utility, and clarity of the information that is the subject of the collection; and (4) ways to minimize the burden of collection on respondents, including the use of automated collection techniques or other forms of information technology.

Comments, to DMS or OIRA, must contain the OMB Control Number of the ICR addressed. Comments to DMS must contain the docket number of this request, USCG 2002–12146. Comments to OIRA are best assured of having their full effect if OIRA receives them 30 or fewer days after the publication of this request.

### Information Collection Request

1. *Title:* Bridge Permit Application Guide.

*OMB Control Number:* 2115–0050.

*Type of Request:* Extension of a currently approved collection.

*Affected Public:* Public and private owners of bridges over navigable waters of the United States.

*Form:* This collection of information does not require the public to fill out forms, but does require the respondent to submit a letter of application, along with letter-size drawings (plans) and a map showing the proposed bridge project and its location.

*Abstract:* The collection of information is the application and documentation required to support approval by the Coast Guard of the location and plans of any proposed bridge project across navigable waters of the United States. An applicant must submit to the Coast Guard a letter of application for a bridge permit, including letter-size drawings (plans) and a map showing the proposed bridge project and its location with respect to the navigable waterway. Full details of the Coast Guard Bridge Permit Application process and required information in support of it, appear at (*http://www.uscg.mil/hq/g-o/g-opt/g-opt.htm*) and 33 CFR part 115.

*Annual Estimated Burden Hours:* The estimated burden is 4000 hours a year.

Dated: August 5, 2002.

**N.S. Heiner,**

*Acting Director of Information and Technology.*

[FR Doc. 02–20246 Filed 8–8–02; 8:45 am]

**BILLING CODE 4910–15–P**

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## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

### Environmental Impact Statement: Brazoria and Galveston Counties, TX

**AGENCY:** Federal Highway Administration (FHWA), DOT.

**ACTION:** Notice of Intent.

**SUMMARY:** The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed transportation project in Brazoria and Galveston Counties, Texas.

**FOR FURTHER INFORMATION CONTACT:** Mr. John Mack, P.E., Federal Highway Administration, Texas Division, 826 Federal Bldg., 300 East 8th Street, Austin, Texas 78701, Telephone 512–536–5960.

**SUPPLEMENTARY INFORMATION:** The FHWA, in cooperation with the Texas Department of Transportation (TxDOT) and The Grand Parkway Association, will prepare an environmental impact statement (EIS) for a proposal to upgrade the existing road network in Brazoria and Galveston Counties. The proposed improvement being considered, as shown in the Region's Long-Range Transportation Plan, is a multilane controlled access facility in northern Brazoria and Galveston counties which would be part of a third circumferential loop (State Highway 99) around Houston. The project length will be approximately 25 miles, depending on the alignment selected. Improvements in this area would alleviate congestion, improve traffic flow in the south and southeast Houston metropolitan area, and serve as an emergency (hurricane) evacuation route. The EIS will evaluate various transportation alternatives between State Highway 288 and Interstate Highway 45 (South). The majority of this corridor crosses relatively undeveloped properties in Brazoria and Galveston Counties. Alternatives to be studied include ''No action'' (the no-build alternative), Transportation System Management (TSM) alternative, mass transit alternative, and roadway build alternatives. Cities and towns in this region include Alvin, Manvel, Dickinson, Texas City, Friendswood, Iowa Colony, Santa Fe, League City, Liverpool, Pearland, and Houston. This study is authorized pursuant to the Texas Transportation Commission Minute Order No. 108543 issued June 28, 2001.

A public scoping meeting will be held on Thursday, September 12, 2002, at Alvin Community College, Nolan Ryan Center Community Room (R109), 2925 South Bypass 35, Alvin, Texas 77511, from 4 p.m. to 7 p.m. Large-scale maps of the project area will be displayed at the meeting. This will be the first in a series of meetings to solicit public comments on the proposed action.

The EIS will evaluate potential impacts from construction and operation of the proposed roadway including, but not limited to, the following: transportation impacts (construction detours, construction traffic, mobility improvement and evacuation route improvement), air and noise impacts from construction equipment and operation of the facility, water quality impacts from construction area and roadway storm water runoff, impacts to waters of the United States including wetlands from right of way encroachment, impacts to historic and archaeological resources, impacts to floodplains, and impacts to residents and businesses.

Letters describing the proposed action and soliciting comments will be sent to appropriate Federal, State and local agencies, and to private organizations and citizens who have previously expressed or are known to have interest in this proposal. To ensure that the full range of issues related to this proposed action are addressed and all significant issues identified, comments and suggestions are invited from all

interested parties. Comments or questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

(Catalog of Federal Domestic Assistance Program Number 20.205 Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding governmental consultation on Federal programs and activities apply to this program.)

Issued: August 1, 2002.

**John R. Mack,**

*District Engineer.*

[FR Doc. 02–20138 Filed 8–8–02; 8:45 am]

**BILLING CODE 4910–22–M**

## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

### Environmental Impact Statement: Middlesex County, CT

**AGENCY:** Federal Highway Administration (FHWA), Department of Transportation (DOT).

**ACTION:** Notice of intent.

**SUMMARY:** The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for proposed transportation improvements in Middlesex County, Connecticut.

**FOR FURTHER INFORMATION CONTACT:** Bradley D. Keazer, Division Administrator, Federal Highway Administration, 628–2 Hebron Avenue, Suite 303, Glastonbury, Connecticut 06033, telephone (860) 659–6703; or Edgar T. Hurle, Director of Environmental Planning, Connecticut Department of Transportation, 2800 Berlin Turnpike, Newington, CT 06111, telephone: (860) 594–2920.

**SUPPLEMENTARY INFORMATION:** The FHWA, in cooperation with the Connecticut Department of Transportation (ConnDOT), will prepare an environmental impact statement (EIS) on a proposal for transportation improvements in the Route 9 corridor, in the city of Middletown, located between the Washington Street intersection and the bridge over the Mattabesset River for a distance of approximately 6000 feet (1800 meters).

Improvements to the corridor are considered necessary to provide for the existing and projected traffic demand. Alternatives under consideration include: (1) Taking no action; (2) using alternate travel modes; and (3) construction of a new interchange to provide improved access to the Arrigoni Bridge and Main Street (Route 66) and elimination of the existing traffic signals on Route 9 at the Hartford Avenue and Washington Street intersections.

Letters describing the proposed action and soliciting comments will be sent to appropriate Federal, State, and local agencies, the Middletown Route 9 Corridor Advisory Committee, and to private organizations and citizens who have previously expressed or are known to have an interest in this proposal. Public scoping meetings and a public hearing will be held. Public notice will be given of the time and place of the meetings and hearing. The draft EIS will be available for public and agency review and comment prior to the public hearing.

To ensure that the full range of issues related to this proposed action are addressed and all significant issues identified, comments and suggestions are invited from all interested parties. Comments or questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

**Authority:** 23 CFR Part 771.

Issued on: July 29, 2002.

**Bradley D. Keazer,**

*Division Administrator, Hartford, Connecticut.*

[FR Doc. 02–20170 Filed 8–8–8; 8:45 am]

**BILLING CODE 4910–22–M**

## DEPARTMENT OF TRANSPORTATION

### National Highway Traffic Safety Administration

**[U.S. DOT Docket Number NHTSA–02–13020]**

### Reports, Forms, and Recordkeeping Requirements

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

**ACTION:** Request for public comment on proposed collection of information.

**SUMMARY:** Before a Federal agency can collect certain information from the public, it must receive approval from the Office of Management and Budget (OMB). Under procedures established by the Paperwork Reduction Act of 1995, before seeking OMB approval, Federal agencies must solicit public comment on proposed collections of information, including extensions and reinstatement of previously approved collections. This document describes one collection of information for which NHTSA intends to seek OMB approval.

**DATES:** Comments must be received on or before October 8, 2002.

**ADDRESSES:** Comments must refer to the docket notice numbers cited at the beginning of this notice and be submitted to Docket Management, Room PL–401, 400 Seventh Street, SW., Washington, DC. 20590. Please identify the proposed collection of information for which a comment is provided, by referencing its OMB Control Number. It is requested, but not required, that 2 copies of the comment be provided. The Docket Section is open on weekdays from 9 a.m. to 5 p.m.

**FOR FURTHER INFORMATION CONTACT:** Complete copies of each request for collection of information may be obtained at no charge from Marcia Tarbet, NHTSA, 400 Seventh Street, SW., Room 5208, NPP–22, Washington, DC 20590. Mrs. Tarbet's telephone number is (202) 366–2570. Please identify the relevant collection of information by referring to its OMB Control Number.

**SUPPLEMENTARY INFORMATION:** Under the Paperwork Reduction Act of 1995, before an agency submits a proposed collection of information to OMB for approval, it must first publish a document in the **Federal Register** providing a 60-day comment period and otherwise consult with members of the public and affected agencies concerning each proposed collection of information. The OMB has promulgated regulations describing what must be included in such a document. Under OMB's regulation (at 5 CFR 1320.8(d), an agency must ask for public comment on the following:

(i) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(ii) The accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(iii) How to enhance the quality, utility, and clarity of the information to be collected;

(iv) How to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.* permitting electronic submission of responses.

In compliance with these requirements, NHTSA asks for public comments on the following proposed collections of information:

*Title:* Heavy Vehicle Antilock Brake System (ABS) and Underride Guard Fleet Maintenance Study.

*OMB Control Number:* New.

*Affected Public:* Private trucking fleets nationwide.

*Form Number:* NA.

*Abstract:* As required by the Government Performance and Results Act of 1993 and Executive Order 12866 (58 FR 51735), NHTSA reviews existing regulations to determine if they are achieving policy goals. Safety Standard 105 (49 CFR 571.105) requires Antilock Brake Systems (ABS) on hydraulic-braked vehicles with a Gross Vehicle Weight Rating (GVWR) greater than 10,000 pounds built on or after March 1, 1999. Safety Standard 121 (49 CFR 571.121) requires ABS on air-braked truck-tractors built on or after March 1, 1997 and on air-braked trailers and single-unit trucks manufactured on or after March 1, 1998. Safety Standard 223 (49 CFR 571.223) requires all trailers and semi-trailers built on or after January 24, 1998 with a Gross Vehicle Weight Rating of 10,000 pounds to have an underride guard. NHTSA's Office of Plans and Policy is planning a data collection effort that will provide adequate information to perform an evaluation on the effect of ABS and underride guards on the maintenance of heavy vehicles in trucking fleets. This study will determine fleet maintenance policies and procedures related to ABS and underride guards, examine factors that motivate fleets to maintain antilock brakes and underride guards, and document fleet experience in maintaining ABS and underride guards since the implementation of the new safety standards.

*Estimated Annual Burden:* The annual burden is estimated to be 126 hours.

*Number of Respondents:* Information will be reported on a total of 252 trucking fleets.

*Comments are invited on:* whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Issued on: August 5, 2002.

**Rose A. McMurray,**

*Acting Associate Administrator for Plans and Policy.*

[FR Doc. 02–20139 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–59–P 1

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## DEPARTMENT OF TRANSPORTATION

### National Highway Traffic Safety Administration

**[Docket No. NHTSA 2001–10773; Notice 2]**

### Reporting of Information About Foreign Safety Recalls and Campaigns Related to Potential Defects

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), DOT.

**ACTION:** Request for public comment on proposed collection of information.

**SUMMARY:** This document describes a proposed collection of information under the foreign safety recall and safety campaign reporting requirements of the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act, for which NHTSA intends to seek approval from the Office of Management and Budget (OMB).

**DATES:** Comments must be received on or before October 8, 2002.

**ADDRESSES:** Comments must refer to the docket and notice numbers cited at the beginning of this notice and must be submitted to Docket Management, Room PL–401, 400 Seventh Street SW., Washington, DC 20590. The Docket is open on weekdays from 9:30 a.m. to 5 p.m.

**FOR FURTHER INFORMATION CONTACT:** Mr. George Person, Office of Defects Investigation, NHTSA, 400 Seventh Street, SW., Room 5326, Washington, DC 20590. Mr. Person's telephone number is (202) 366–5210.

**SUPPLEMENTARY INFORMATION:** Under the Paperwork Reduction Act of 1995 (PRA), before an agency submits a proposed collection of information to OMB for approval, it must publish a document in the **Federal Register** providing a 60-day comment period and otherwise consult with members of the public and affected agencies concerning each proposed collection of information. OMB has promulgated regulations describing what must be included in such a document. Under OMB's regulations (at 5 CFR 1320.8(d)), an agency must ask for public comment on the following:

(i) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(ii) The accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions;

(iii) How to enhance the quality, utility, and clarity of the information to be collected; and

(iv) How to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

**Reporting of Information About Foreign Safety Recalls and Campaigns Related to Potential Defects**

*Type of Request*—New Collection.

*OMB Clearance Number*—None.

*Requested Expiration Date of Approval*—Three years from effective date of final rule.

*Summary of Collection of Information*—On October 11, 2001, NHTSA published a Notice of Proposed Rulemaking (NPRM) (66 FR 51907) in which it proposed to implement section 3(a) of the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act, Public Law 106–414, which requires a manufacturer of motor vehicles or motor vehicle equipment to report to NHTSA whenever it decides to conduct a safety recall or other safety campaign in a foreign country, or has been directed to do so by a foreign government, covering vehicles or equipment that are identical or substantially similar to vehicles or equipment sold or offered for sale in the United States. NHTSA is currently reviewing and analyzing the comments submitted in response to the NPRM and is developing its final rule, which may include revised requirements. The obligation to report this information was effective on the day that the TREAD Act was signed into law, November 1, 2000. Since that date, NHTSA has, in fact, received some notifications of foreign safety campaigns being conducted.

*Description of the Need for the Information and Proposed Use of the Information*—The intent of the TREAD Act is to provide early warning of potential safety-related defects in motor vehicles and motor vehicle equipment in use in the United States. Whenever a manufacturer of motor vehicles or equipment decides to conduct a safety recall or other safety campaign in a foreign country, or has been directed to do so by a foreign government, covering vehicles or equipment that are identical or substantially similar to vehicles or equipment sold or offered for sale in the

United States, that information could indicate that a safety defect or noncompliance exists that requires remedial action. NHTSA will rely on the information provided under this rule in deciding whether to open a formal defect investigation or to pursue appropriate remedial action in the United States.

*Description of the Likely Respondents (Including Estimated Number and Proposed Frequency of Responses to the Collection of Information)*—The TREAD Act requires all manufacturers of motor vehicles and motor vehicle equipment who sell vehicles or equipment in the United States, and who also sell or plan to sell vehicles outside the United States, to comply with these reporting requirements. We estimate that there are a total of 23,500 manufacturers who sell vehicles or equipment in the United States. Of these, we estimate that fewer than 70 vehicle manufacturers will need to comply with the reporting requirements. Furthermore, we estimate that fewer than 500 reports annually will be submitted. In the one full year since the manufacturers began submitting reports (2001), there were only 234 reports submitted to the agency. However the final rule will specify the contents of the submission and may adopt the proposed requirement that manufacturers must submit reports for the period from November 1, 2000, to the effective date of the final rule. This would increase that number.

*Estimate of the Total Annual Reporting and Recordkeeping Burden of the Collection of Information in the NPRM*—In order to provide the information required by this rule, manufacturers must (1) determine whether vehicles or equipment that are covered by a foreign safety recall or other safety campaign are identical or substantially similar to vehicles or equipment sold in the United States, (2) prepare and submit reports of these recalls or campaigns to the agency, and (3) where a determination or notice has been made in a language other than English, translate the determination or notice into English before transmitting it to the agency. Additionally, it was proposed that manufacturers report foreign determinations made between November 1, 2000 and the effective date of the final rule.

With respect to the burden of determining identical or substantially similar vehicles or equipment to those sold in the United States, the Alliance of Automobile Manufacturers (the Alliance) in its comments on the NPRM, suggested that ''the agency should work with the vehicle manufacturers to establish each year a list of substantially similar vehicles' and that, for inclusion on the list, a vehicle must have '' * * * the same vehicle platform or body shell.'' Based on those criteria, we estimate that the annual list could be developed with 8 hours of professional staff time. It was proposed that only vehicle manufacturers would be required to develop this list. (70 vehicle manufacturers × 8 hours = 560 hours.)

We estimate that preparing and submitting each foreign defect report will require 1 hour of clerical staff, or 500 hours annually. (500 defect reports × 1 hour = 500 hours.) We estimate that translation of determinations into English will require 2 hours of technical staff, or 1,000 hours annually. Note: This assumes that all foreign defect reports would require translation. Therefore, this is a maximum number of hours because some foreign defect reports will already be in English. (500 defect reports × 2 hours = 1,000 hours.) Accordingly we estimate the total annual burden on manufacturers to be 2,060 hours (560 hours professional time + 500 hours clerical time + 1,000 hours technical time).

*Estimate of the Total Annual Costs of the Collection of Information in the NPRM*—Hourly rates for various categories of staff were provided to the agency recently by the Alliance in connection with another rulemaking. We have used those rates to estimate the total annual cost of this collection. We estimate that preparing the annual list would be done by professional staff at an average rate of $101.92 per hour. (560 hours × $101.92 = $57,075.20) We estimate that clerical staff at an average rate of $23.99 per hour would prepare each report. (500 hours × $23.99 = $11,995.00.) Finally, we estimate that technical staff at a rate of $73.55 per hour would perform the translation into English. (1,000 hours × $73.55 = $73,550.00.) This results in a total estimated annual burden of $142,570.20 ($57,075.20 + $11,995.00 + $73,550.00). We believe that, since manufacturers actually began providing the information on or about November 1, 2000, there will be minimal, if any, additional cost associated with reporting of campaigns from that date to the effective date of the final rule.

NHTSA notes that the final rule, *Reporting of Information and Documents About Foreign Safety Recalls and Campaigns Related to Potential Defects*, might be issued before the end of the 60-day comment period for this collection of information. If this should occur, it would be helpful for public comments in response to this notice to reflect the requirements adopted in the final rule. All comments will be taken into account in NHTSA's Supporting Statement to OMB (that accompanies OMB Form 83–I) to request clearance for this collection of information.

**Authority:** 44 U.S.C. 3506(c); delegation of authority at 49 CFR 1.50.

**Kathleen DeMeter,**

*Acting Associate Administrator for Safety Assurance.*

[FR Doc. 02–20144 Filed 8–8–02; 8:45 am]

**BILLING CODE 4910–59–P**

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## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

**[STB Finance Docket No. 34230]**

### Squaw Creek Southern Railroad, Inc.—Operation Exemption—Line of Norfolk Southern Railway Company

Squaw Creek Southern Railroad, Inc. (SCS),[1] a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire nonexclusive trackage rights and to operate approximately 21.3 miles of railroad owned by Norfolk Southern Railway Company (NS), in Warrick County, IN, between milepost 0.6, at or near Yankeetown Dock, and milepost 21.9, at or near Lynnville Mine. SCS certifies that its projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and that such revenues would not exceed $5 million.

The transaction was scheduled to be consummated no earlier than July 19, 2002. The earliest the transaction could have been consummated was July 18, 2002, the effective date of the exemption (7 days after the exemption was filed).

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to reopen the proceeding to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34230, must be filed with the Surface Transportation Board, 1925 K Street, NW., Washington, DC 20423–0001. In addition, one copy of each pleading must be served on Andrew P. Goldstein, McCarthy, Sweeney & Harkaway, P.C., 2175 K Street, NW., Suite 600, NW., Washington, DC 20037.

[1] SCS states that it has entered into a trackage and interchange agreement with NS permitting SCS to operate the rail line. SCS will be able to interchange with NS at Boonville, IN.

Board decisions and notices are available on our website at *www.stb.dot.gov.*

Decided: August 1, 2002.

By the Board, David M. Konschnik, Director, Office of Proceedings.

**Vernon A. Williams,**

*Secretary.*

[FR Doc. 02–19942 Filed 8–8–02; 8:45 am]

BILLING CODE 4915–00–P

## DEPARTMENT OF TRANSPORTATION

### Bureau of Transportation Statistics

### Agency Information Collection; Activity Under OMB Review; Reporting Required for International Civil Aviation Organization (ICAO)

**AGENCY:** Bureau of Transportation Statistics (BTS), DOT.

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995, Public Law 104–13, the Bureau of Transportation Statistics invites the general public, industry and other governmental parties to comment on the continuing need and usefulness of BTS collecting supplemental data for the International Civil Aviation Organization (ICAO). Comments are requested concerning whether the supplemental reports are needed by BTS to fulfill the United States treaty obligation of furnishing financial and traffic reports to ICAO; BTS accurately estimated the reporting burden; there are other ways to enhance the quality, utility and clarity of the information collected; and there are ways to minimize reporting burden, including the use of automated collection techniques or other forms of information technology.

**DATES:** Written comments should be submitted by October 8, 2002.

**ADDRESSES:** Comments should be directed to: Office of Airline Information, K–25, Room 4125, Bureau of Transportation Statistics, 400 Seventh Street, SW., Washington, DC 20590–0001, FAX NO. 366–3383 or EMAIL *bernard.stankus@bts.gov.*

*Comments:* Comments should identify the OMB # 2138–0039. Persons wishing the Department to acknowledge receipt of their comments must submit with those comments a self-addressed stamped postcard on which the following statement is made: Comments on OMB # 2138–0004. The postcard will be date/time stamped and returned.

**FOR FURTHER INFORMATION CONTACT:** Bernie Stankus Office of Airline Information, K–25, Room 4125, Bureau of Transportation Statistics, 400 Seventh Street, SW., Washington, DC 20590–0001, (202) 366–4387.

**SUPPLEMENTARY INFORMATION:**

*OMB Approval No.:* 2138–0039.

*Title:* Reporting Required for International Civil Aviation Organization (ICAO).

*Form No.:* BTS Form EF.

*Type of Review:* Extension of a currently approved collection.

*Respondents:* Large certificated air carriers.

*Number of Respondents:* 40.

*Number of Responses:* 40.

*Total Annual Burden:* 26 hours.

*Needs and Uses:* As a party to the Convention on International Civil Aviation (Treaty), the United States is obligated to provide ICAO with financial and statistical data on operations of U.S. carriers. Over 99% of the data filled with ICAO is extracted from the air carriers' Form 41 submissions to BTS. BTS Form EF is the means by which BTS supplies the remaining 1% of the air carrier data to ICAO.

**Donald W. Bright,**

*Assistant Director, Airline Information, Bureau of Transportation Statistics.*

[FR Doc. 02–20253 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–62–P

## DEPARTMENT OF TRANSPORTATION

### Bureau of Transportation Statistics

### Activity Under OMB Review; Submission of Audit Reports—Part 248

**AGENCY:** Bureau of Transportation Statistics (BTS), DOT.

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995, Public Law 104–13, the Bureau of Transportation Statistics invites the general public, industry and other governmental parties to comment on the continuing need for and usefulness of BTS requiring U.S. large certificated air carriers to submit a true and complete of its annual audit that is made by an independent public accountant. If a carrier does not have such an annual audit, the carrier must file a statement that no audit has been performed. Comments are requested concerning whether the audit reports are needed by BTS and DOT; BTS accurately estimated the reporting burden; there are other ways to enhance the quality, utility and clarity of the information collected; and there are ways to minimize reporting burden, including the use of automated collection techniques or other forms of information technology.

**DATES:** Written comments should be submitted by October 8, 2002.

**ADDRESSES:** Comments should be directed to: Office of Airline Information, K–25, Room 4125, Bureau of Transportation Statistics, 400 Seventh Street, SW., Washington, DC 20590–0001, Fax no. 366–3383 or e-mail *bernard.stankus@bts.gov.*

*Comments:* Comments should identify the OMB # 2138–0004. Persons wishing the Department to acknowledge receipt of their comments must submit with those comments a self-addressed stamped postcard on which the following statement is made: Comments on OMB # 2138–0004. The postcard will be date/time stamped and returned.

**FOR FURTHER INFORMATION CONTACT:** Bernie Stankus Office of Airline Information, K–25, Room 4125, Bureau of Transportation Statistics, 400 Seventh Street, SW., Washington, DC 20590–0001, (202) 366–4387.

**SUPPLEMENTARY INFORMATION:**

*OMB Approval No.:* 2138–0004.

*Title:* Submission of Audit Reports—Part 248.

*Form No.:* None.

*Type Of Review:* Extension of a currently approved collection.

*Respondents:* Large certificated air carriers.

*Number of Respondents:* 75.

*Number of Responses:* 75.

*Total Annual Burden:* 20 hours.

*Needs and Uses:* BTS collects independent audited financial reports from U.S. certificated air carriers. Carriers not having an annual audit must file a statement that no such audit has been performed. In lieu of the audit report, BTS will accept the annual report submitted to the stockholders. The audited reports are needed by the Department of Transportation as (1) a means to monitor an air carrier's continuing fitness to operate, (2) reference material used by analysts in examining foreign route cases (3) reference material used by analyst in examining proposed mergers, acquisitions and consolidations, (4) a means whereby BTS sends a copy of the report to the International Civil Aviation Organization (ICAO) in fulfillment of a United States treaty obligation, and (5) corroboration of a carrier's Form 41 filings.

**Donald W. Bright,**

*Assistant Director, Airline Information, Bureau of Transportation Statistics.*

[FR Doc. 02–20254 Filed 8–8–02; 8:45 am]

BILLING CODE 4910–62–P

# Corrections

Federal Register

Vol. 67, No. 154

Friday, August 9, 2002

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 63

**[FRL–7241–6]**

**RIN 2060–AH41**

### National Emission Standards for Hazardous Air Pollutants: Site Remediation

*Correction*

In proposed rule document 02–17360 beginning on page 49398 in the issue of July 30, 2002 make the following correction:

On page 49398, the first column, in the **DATES** section, in the fifth line, ''September 19, 2002'' should read ''August 19, 2002''.

[FR Doc. C2–17360 Filed 8–8–02; 8:45 am]

BILLING CODE 1505–01–D

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Agency for Healthcare Research and Quality

### Request for Measures of Patients' Hospital Care Experiences

*Correction*

In notice document 02–18710 beginning on page 48477 in the issue of Wednesday, July 24, 2002 make the following corrections:

1. On page 48478, in the first column, in the 9th line ''a standard that would be used nation'' should read ''a standard for measuring and publicly reporting patients' hospital care experiences''.

2. On the same page, in the same column, under **DATES**, in the first line ''subject'' should read ''submit''.

3. On page 48479, in the first column, in the third paragraph, in the first line ''effect'' should read ''effort''.

[FR Doc. C2–18710 Filed 8–8–02; 8:45 am]

BILLING CODE 1505–01–D

## DEPARTMENT OF TRANSPORTATION

### National Highway Traffic Safety Administration

### 49 CFR Part 571

**[DOT Docket No. NHTSA–02–12845]**

**RIN: 2127–AH71**

### Federal Motor Vehicle Safety Standards; Accelerator Control Systems

*Correction*

In proposed rule document 02–18477 beginning on page 48117 in the issue of Tuesday, July 23, 2002, make the following corrections:

**§ 571.124 [Corrected]**

1. On page 48128, in § 571.124, in the second column, in paragraph S5.3.2, in the fourth line, '' ''18 degrees Celsius to ''40 degrees'' should read, ''-18 degrees Celsius to -40 degrees''.

2. On the same page, in the same section, in the third column, in paragraph S6.1.9, in the third line, '' ''40 degrees Celsius'' should read, ''-40 degrees Celsius''.

[FR Doc. C2–18477 Filed 8–8–02; 8:45 am]

BILLING CODE 1505–01–D

## DEPARTMENT OF THE TREASURY

### Customs Service

### 19 CFR Part 122

**[T.D. 02–40]**

**RIN 1515–AD04**

### Access to Customs Security Areas at Airports

*Correction*

In rule document 02–19055 beginning on page 48977 in the issue of Monday, July 29, 2002 make the following corrections:

1. On page 48980, in the third column, in paragraph 5., in the seventh line, ''during the 14'' should read ''during the''.

**§122.182 [Corrected]**

2. On page 48985, in the first column, in §122.182, in paragraph (c), in the sixth line from the bottom, ''bond 29'' should read ''bond does not''.

**§122.184 [Corrected]**

3. On page 48986, in the second column, in §122.184, in paragraph (b), in the fifth line, ''arrest or 36'' should read ''arrest or''.

**§122.187 [Corrected]**

4. On page 48987, in the second column, in §122.187, in paragraph (b), in the seventh line, ''the 40 employee'' should read ''the employee''.

5. On the same page, in the third column, in the same section, in paragraph (b)(2)(ii), in the 14th line, ''he may 24 choose'' should read ''may choose''.

6. On page 48988, in the first column, in §122.187, in paragraph (c)(2)(i), in the ninth line, ''genuine 43'' should read ''genuine''.

7. On the same page, in the same column, in the same section, in paragraph (d), in the fifth line, ''if the 44 affected'' should read ''if the affected''.

[FR Doc. C2–19055 Filed 8–8–02; 8:45 am]

BILLING CODE 1505–01–D

Federal Register

Friday,
August 9, 2002

# Part II

# Environmental Protection Agency

## 40 CFR Part 194

## Criteria for the Certification and Recertification of the Waster Isolation Pilot Plant's Compliance With the Disposal Regulations; Alternative Provisions; Proposed Rule

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 194**

**[FRL–7255–4]**

**RIN 2060–AJ07**

## Criteria for the Certification and Recertification of the Waste Isolation Pilot Plant's Compliance with the Disposal Regulations; Alternative Provisions

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency (''EPA,'' or ''the Agency'' or ''we'') is proposing to revise the ''Criteria for the Certification and Recertification of the Waste Isolation Pilot Plant's Compliance with the Disposal Regulations,'' which are used to determine whether the Department of Energy's Waste Isolation Pilot Plant (''WIPP'') will comply with EPA's ''Environmental Radiation Protection Standards for Management and Disposal of Spent Nuclear Fuel, High-Level and Transuranic Radioactive Wastes.'' The following proposed revisions are included in today's action: addition of a mechanism to address minor changes to the provisions of the Compliance Criteria; changes to the approval process for waste characterization programs at Department of Energy transuranic sites; changes to allow for the submission of copies of compliance applications and reference materials in alternative format; and replacement of the term ''process knowledge'' with ''acceptable knowledge.'' The proposed changes do not lessen the requirements for complying with the Compliance Criteria. Moreover, these changes will have no effect on the technical approach that EPA employs when conducting independent inspections of the waste characterization capabilities at DOE waste generator sites. EPA is conducting this proposed action in accordance with the procedures for substituting alternative provisions of the Compliance Criteria. Today's notice marks the beginning of a 120-day public comment period on this proposed action.

**DATES:** EPA requests comments on all aspects of these proposed revisions. If you wish to submit comments on this proposal, you must do so by December 9, 2002.

**ADDRESSES:** Send your comments to: Air Docket, Room M–1500, U.S. Environmental Protection Agency, 401 M Street, SW., Mail Code 6102, Washington, DC 20460, Attention Docket ID No. OAR–2002–0005. Comments may be submitted electronically, by mail, by facsimile, or through hand delivery/courier. Follow the detailed instructions as provided in Section B of the **SUPPLEMENTARY INFORMATION** section.

**FOR FURTHER INFORMATION CONTACT:** Agnes Ortiz; telephone number: (202) 564–9310; postal address: Radiation Protection Division, Mail Code 6608J, U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW., Washington, DC, 20460.

**SUPPLEMENTARY INFORMATION:**

### General Information

*A. How Can I Get Copies of This Document and Other Related Information?*

EPA has established an official public docket for this action under Docket ID No. OAR–2002–0005. The official public docket consists of the documents specifically referenced in this action, any public comments received, and other information related to this action. Although a part of the official docket, the public docket does not include Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. The official public docket is the collection of materials that is available for public viewing at: Air Docket, Room M–1500, U.S. Environmental Protection Agency, 401 M Street, SW., Mail Code 6102, Washington, DC 20460. This Docket Facility is open from 8:30am–5 pm, Monday through Friday, excluding legal holidays. The Air Docket telephone number is 202–260–7548.

You may access this **Federal Register** document electronically through the EPA Internet under the ''**Federal Register**'' listings at *http://www.epa.gov/fedrgstr/*.

An electronic version of the public docket is available through EPA's electronic public docket and comment system, EPA Dockets. You may use EPA Dockets at *http://www.epa.gov/edocket/* to submit or view public comments, access the index listing of the contents of the official public docket, and to access those documents in the public docket that are available electronically. Once in the system, select ''search,'' then key in the appropriate docket identification number.

Certain types of information will not be placed in the EPA Dockets. Information claimed as CBI and other information whose disclosure is restricted by statute, which is not included in the official public docket, will not be available for public viewing in EPA's electronic public docket. EPA's policy is that copyrighted material will not be placed in EPA's electronic public docket but will be available only in printed, paper form in the official public docket. To the extent feasible, publicly available docket materials will be made available in EPA's electronic public docket. When a document is selected from the index list in EPA Dockets, the system will identify whether the document is available for viewing in EPA's electronic public docket. Although not all docket materials may be available electronically, you may still access any of the publicly available docket materials through the docket facility identified in Section B under General Information. EPA intends to work towards providing electronic access to all of the publicly available docket materials through EPA's electronic public docket.

For public commenters, it is important to note that EPA's policy is that public comments, whether submitted electronically or in paper, will be made available for public viewing in EPA's electronic public docket as EPA receives them and without change, unless the comment contains copyrighted material, CBI, or other information whose disclosure is restricted by statute. When EPA identifies a comment containing copyrighted material, EPA will provide a reference to that material in the version of the comment that is placed in EPA's electronic public docket. The entire printed comment, including the copyrighted material, will be available in the public docket.

Public comments submitted on computer disks that are mailed or delivered to the docket will be transferred to EPA's electronic public docket. Public comments that are mailed or delivered to the Docket will be scanned and placed in EPA's electronic public docket. Where practical, physical objects will be photographed, and the photograph will be placed in EPA's electronic public docket along with a brief description written by the docket staff.

For additional information about EPA's electronic public docket visit EPA Dockets online or see 67 FR 38102, May 31, 2002.

*B. How and To Whom Do I Submit Comments?*

You may submit comments electronically, by mail, by facsimile, or through hand delivery/courier. To ensure proper receipt by EPA, identify the appropriate docket identification number in the subject line on the first page of your comment. Please ensure that your comments are submitted

within the specified comment period. Comments received after the close of the comment period will be marked ''late.'' EPA is not required to consider these late comments. However, late comments may be considered if time permits. If you wish to submit CBI or information that is otherwise protected by statute, please follow the instructions in Section C under General Information. Do not use EPA Dockets or e-mail to submit CBI or information protected by statute.

1. Electronically

If you submit an electronic comment as prescribed below, EPA recommends that you include your name, mailing address, and an e-mail address or other contact information in the body of your comment. Also include this contact information on the outside of any disk or CD ROM you submit, and in any cover letter accompanying the disk or CD ROM. This ensures that you can be identified as the submitter of the comment and allows EPA to contact you in case EPA cannot read your comment due to technical difficulties or needs further information on the substance of your comment. EPA's policy is that EPA will not edit your comment, and any identifying or contact information provided in the body of a comment will be included as part of the comment that is placed in the official public docket, and made available in EPA's electronic public docket. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment.

Your use of EPA's electronic public docket to submit comments to EPA electronically is EPA's preferred method for receiving comments. Go directly to EPA Dockets at *http://www.epa.gov/edocket,* and follow the online instructions for submitting comments. To access EPA's electronic public docket from the EPA Internet home page, select ''Information Sources,'' ''Dockets,'' and ''EPA Dockets.'' Once in the system, select ''search,'' and then key in Docket ID No. OAR–2002–0005. The system is an ''anonymous access'' system, which means EPA will not know your identity, e-mail address, or other contact information unless you provide it in the body of your comment.

Comments may be sent by electronic mail (e-mail) to *a-and-r-docket@epa.gov* Attention Docket ID No. OAR–2002–0005. In contrast to EPA's electronic public docket, EPA's e-mail system is not an ''anonymous access'' system. If you send an e-mail comment directly to the Docket without going through EPA's electronic public docket, EPA's e-mail system automatically captures your e-mail address. E-mail addresses that are automatically captured by EPA's e-mail system are included as part of the comment that is placed in the official public docket, and made available in EPA's electronic public docket.

You may submit comments on a disk or CD ROM that you mail to the mailing address identified in Section A under General Information. These electronic submissions will be accepted in WordPerfect or ASCII file format. Avoid the use of special characters and any form of encryption.

2. By Mail

Send your comments to: Air Docket, Room M–1500, U.S. Environmental Protection Agency, 401 M Street, SW., Mail Code 6102, Washington, DC 20460, Attention Docket ID No. OAR–2002–0005.

3. By Hand Delivery or Courier

Deliver your comments to: Air Docket, Room M–1500, U.S. Environmental Protection Agency, 401 M Street, SW., Mail Code 6102, Washington, DC 20460, Attention Docket ID No. OAR–2002–0005. Such deliveries are only accepted during the Docket's normal hours of operation as identified in Section A under General Information.

4. By Facsimile

Fax your comments to: (202) 260–4400, Attention Docket ID. No. OAR–2002–0005.

*C. How Should I Submit CBI to the Agency?*

Do not submit information that you consider to be CBI electronically through EPA's electronic public docket or by e-mail. You may claim information that you submit to EPA as CBI by marking any part or all of that information as CBI (if you submit CBI on disk or CD ROM, mark the outside of the disk or CD ROM as CBI and then identify electronically within the disk or CD ROM the specific information that is CBI). Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

In addition to one complete version of the comment that includes any information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket and EPA's electronic public docket. If you submit the copy that does not contain CBI on disk or CD ROM, mark the outside of the disk or CD ROM clearly that it does not contain CBI. Information not marked as CBI will be included in the public docket and EPA's electronic public docket without prior notice. If you have any questions about CBI or the procedures for claiming CBI, please consult the person identified in the **FOR FURTHER INFORMATION CONTACT** section.

*D. What Should I Consider as I Prepare My Comments for EPA?*

You may find the following suggestions helpful for preparing your comments:

1. Explain your views as clearly as possible.
2. Describe any assumptions that you used.
3. Provide any technical information and/or data you used that support your views.
4. If you estimate potential burden or costs, explain how you arrived at your estimate.
5. Provide specific examples to illustrate your concerns.
6. Offer alternatives.
7. Make sure to submit your comments by the comment period deadline identified.
8. To ensure proper receipt by EPA, identify the appropriate docket identification number in the subject line on the first page of your response. It would also be helpful if you provided the name, date, and **Federal Register** citation related to your comments.

**Abbreviations Used in This Document**

AK—Acceptable knowledge
Am—Americium
APA—Administrative Procedure Act
ASME—American Society of Mechanical Engineers
BID—Background information document
CAR—Corrective Action Required
CARD—Compliance Application Review Document
CBFO—Carlsbad Field Office
CCA—Compliance Certification Application
CFR—Code of Federal Regulations
CH—Contact handled
Cs—Cesium
DOE—Department of Energy
EEG—Environmental Evaluation Group
EPA—Environmental Protection Agency
INEEL—Idaho National Energy and Engineering Laboratory
LANL—Los Alamos National Laboratory
NDA—Nondestructive Assay
NPRM—Notice of Proposed Rulemaking
NTS—Nevada Test Site
NQA—Nuclear Quality Assurance
ORNL—Oak Ridge National Laboratory
PK—Process knowledge
Pu—Plutonium
QA—Quality assurance
QAPP—Quality Assurance Project Plan
QAPjP—Quality Assurance Project Plan
RC—Radiochemistry
RCRA—Resource Conservation Recovery Act
RFETS—Rocky Flats Environmental Technology Site
RTR—Real-time radiography
SRS—Savannah River Site

Sr—Strontium
TRU—Transuranic
U—Uranium
VE—Visual inspection
WAC—Waste Acceptance Criteria
WAP—Waste Acceptance plan
WC—Waste characterization
WIPP—Waste Isolation Pilot Plant
WIPP LWA—WIPP Land Withdrawal Act
WWIS—WIPP Waste Information System

**Table of Contents**

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## I. What Is WIPP?

The Waste Isolation Pilot Plant (''WIPP'') is a disposal system for transuranic radioactive waste. Developed by the Department of Energy (''DOE'' or ''the Department''), the WIPP is located near Carlsbad in southeastern New Mexico. Transuranic (TRU) radioactive wastes are emplaced 2,150 feet underground in an ancient layer of salt that will eventually ''creep'' and encapsulate the waste containers. The WIPP has a total capacity of 6.2 million cubic feet of TRU waste.

Development and construction of the WIPP was authorized under Section 213 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1980 (Public Law No. 96–164, 93 U.S. Stat. 1259, 1265). WIPP was authorized as a defense activity of the Department of Energy to demonstrate the safe disposal of radioactive wastes resulting from the defense activities and programs of the United States. Pursuant to Section 7 of the WIPP Land Withdrawal Act (Public Law No. 102–579, as amended by Public Law No. 104–201) (WIPP LWA), disposal operations at WIPP are limited to a total volume of 6.2 million cubic feet of transuranic radioactive waste. Section 2(18) of the WIPP LWA defines TRU waste as waste containing more than 100 nanocuries of alpha-emitting transuranic isotopes per gram of waste, with half-lives greater than 20 years. This definition excludes high-level radioactive waste, waste determined by DOE with the concurrence of EPA to not need such isolation, or waste that the Nuclear Regulatory Commission has approved for disposal on a case-by-case basis, consistent with NRC regulations.

Most TRU waste proposed for disposal at WIPP consists of items that have become contaminated as a result of activities associated with the production of nuclear weapons (or with the cleanup of nuclear weapons production facilities), such as, rags, equipment, tools, protective gear, and sludges. Some TRU waste is contaminated with hazardous wastes regulated under the Resource Conservation and Recovery Act (42 U.S.C. 6901–6992k)(RCRA). The waste proposed for disposal at WIPP is currently stored at Federal facilities across the United States, including locations in Colorado, Idaho, New Mexico, Nevada, Ohio, South Carolina, Tennessee, and Washington.

Section 8(c) of the WIPP LWA required EPA to promulgate criteria, pursuant to Section 4 of the Administrative Procedure Act (APA), for EPA's certification of the WIPP's compliance with the radioactive waste disposal regulations at 40 CFR Part 191. On February 9, 1996, EPA published the final ''Criteria for the Certification and Re-Certification of the Waste Isolation Pilot Plant's Compliance With the 40 CFR Part 191 Disposal Regulations' (61 FR 5224) (Compliance Criteria). Section 8(d) of the WIPP LWA set forth specific procedures governing the certification of the WIPP. Section 8(d)(1) required DOE to submit a complete compliance application by October 31, 1996. Section 8(d)(1) also provided that EPA had the authority to request any additional information necessary for the Agency's determination of compliance. Section 8(d)(2) required that EPA complete its certification decision within one year of receipt of the DOE's application. (EPA clarified at § 194.11 of the Compliance Criteria that, consistent with legislative intent, EPA's certification decision would be due within one year of receipt of a complete compliance application.) EPA determined DOE's compliance application to be complete on May 22, 1997 (62 FR 27996).

EPA determined on May 18, 1998, that DOE had demonstrated that the WIPP will comply with EPA's radioactive waste disposal regulations at Subparts B and C of 40 CFR part 191. EPA's certification determination permitted the WIPP to begin accepting transuranic waste for disposal, provided that other applicable environmental regulations were met and once a 30-day statutory waiting period had elapsed. EPA based its decision on a thorough review of all the information submitted by DOE, independent technical analyses, and all significant public comments submitted during a nominal 120-day comment period. EPA's certification, however, was subject to four specific conditions. Thus, EPA amended the WIPP compliance criteria at 40 CFR part 194 to include an appendix setting forth the four conditions on the certification of compliance. These conditions related to (1) design of the panel closure system (which is intended over the long term to block brine flow between waste panels in the WIPP); (2) and (3) activities conducted at waste generator sites that produce the transuranic waste proposed for disposal in the WIPP (specifically with respect to quality assurance and waste characterization); and (4) passive institutional controls.

Subsequent to the initial certification, EPA continues to have an oversight role at the WIPP. First, Section 9 of the WIPP LWA requires that DOE submit biennial documentation of continued compliance with specified laws, regulations, and permit requirements. Second, § 194.4 of the Compliance Criteria requires that DOE submit periodic reports on any activities or conditions at the WIPP that differ significantly from the information contained in the most recent compliance application. EPA may also, at any time, request additional information from DOE regarding the

WIPP to determine if regulatory action is required concerning the certification. Third, Section 8(f) of the WIPP LWA requires at least five years after the initial certification and every five years thereafter, that DOE submit to EPA and the State of New Mexico documentation of continued compliance with the Part 191 radioactive waste disposal regulations. In accordance with § 194.64 of the Compliance Criteria, documentation of continued compliance will be made available in EPA's dockets, and the public will be provided at least a 30-day period during which to submit comments. EPA's decision on recertification will be announced in the **Federal Register**.

## II. What Is the Purpose of Today's Proposed Action?

EPA proposes to revise certain provisions of the Compliance Criteria at 40 CFR part 194. Specifically, EPA is proposing to (1) revise the process for establishing ''alternative provisions'' in § 194.6; (2) revise the approval process in § 194.8 for waste characterization processes at TRU waste generator sites for disposal at WIPP; (3) revise the requirements in §§ 194.12 and 194.13 for submission of compliance applications and reference materials; and (4) change the term ''process knowledge'' to ''acceptable knowledge'' in § 194.24(c)(3). The proposed revisions are intended to ensure that 40 CFR Part 194 remains comprehensive, appropriate, and based upon current knowledge and information. The Agency solicits comments on this proposal.

Section 194.6 of the Compliance Criteria imposes specific requirements for substitution of ''alternative provisions'' of the Criteria. Such alternative provisions must be promulgated pursuant to Section 4 of the APA. Also, in proposing the alternative provisions EPA must describe how the proposed changes comport with the radioactive waste disposal regulations at 40 CFR part 191, the reasons why the existing provisions appear inappropriate, and the costs, risks, and benefits of compliance with the new provisions. Finally, EPA must provide for a public comment period of 120 days and hearings in New Mexico, and fully consider the public comments that are received. Today's Notice of Proposed Rulemaking (NPRM) is organized so that, for each of the proposed revisions, the preamble addresses the following topics: A. What are the current requirements?; B. What are the proposed changes?; and C. How has EPA addressed the Alternative Provision Analysis required by § 194.6?

## III. How Is EPA Revising the Process for Establishing Alternative Provisions in § 194.6?

### *A. What Are the Current Requirements in § 194.6?*

Section 194.6 establishes procedures applicable to substitution of alternative provisions of the Compliance Criteria. As discussed above, such substitutions require notice and comment rulemaking, pursuant to Section 4 of the APA. In addition, § 194.6 stipulates that EPA's NPRM address specific aspects of the proposed substitution, include a public comment period of at least 120 days, and public hearings in New Mexico.

### *B. What Changes Are Proposed for § 194.6?*

EPA is proposing to revise § 194.6 to add a rulemaking process for substituting ''minor alternative provisions'' of the Compliance Criteria. The process for substituting ''minor alternative provisions'' would include: (1) Rulemaking pursuant to Section 4 of the APA; (2) publication of the proposed changes in the **Federal Register**, together with information describing how the changes conform with the disposal regulations, the reasons why the changes are needed, and the benefits of compliance with the minor changes; (3) a public comment period of at least 30 days; and (4) publication in the **Federal Register** of the final notice after public comments received have been fully considered. EPA is also proposing to add the following definition of ''minor alternative provision'' to § 194.2: ''minor alternative provision means an alternative provision to the Compliance Criteria that clarifies a regulatory provision, or does not substantively alter the existing regulatory requirement.''

### *C. How Has EPA Addressed the Alternative Provision Analysis Required by § 194.6?*

The Agency wants to have the ability to make insignificant changes to the Compliance Criteria in an expedited time frame to facilitate WIPP's continued compliance with our regulations. The provisions for substituting minor alternative provisions could, for example, be used to modify the Compliance Criteria to change regulatory terminology to more clearly express the Agency's intended meaning or to clarify expectations. Substitution of ''minor alternative provisions'' would not in any way substantively modify the Compliance Criteria requirements.

#### 1. Why Do the Existing Provisions in § 194.6 Appear Inappropriate?

In certain specific contexts, discussed below, EPA considers the existing provisions to be inappropriate because they are unnecessarily stringent. When § 194.6 was promulgated, EPA was beginning the process of formal regulation of the WIPP. EPA had not yet even received the DOE's compliance certification application. EPA now has engaged in close regulatory oversight of the WIPP for over six years. EPA has engaged in post-certification oversight of the WIPP for almost four years. During that time, EPA has gained substantial experience and insight into this regulatory process. While § 194.6, as originally drafted, was intended to address all changes to the Compliance Criteria, EPA now realizes that there may be modifications to the Compliance Criteria that, while useful, are not sufficiently significant to require the stringent procedures currently set forth in § 194.6. EPA's oversight experience indicates that minor revisions to the Compliance Criteria requirements may improve implementation and consistency in regulatory compliance.

EPA believes that today's proposal includes several examples of minor revisions that would be appropriately addressed by a less stringent process than currently available under § 194.6. For example, EPA is proposing to replace the term ''process knowledge'' in § 194.24(c)(3) with the term ''acceptable knowledge'' (*see* section VI of the preamble). This minor revision is intended to acknowledge that ''acceptable knowledge'' is the term EPA has used consistently since the WIPP was certified. EPA is also proposing to permit DOE to submit fewer printed recertification compliance applications than currently required in the Compliance Criteria. These proposed revisions do not substantively alter the intent or the approach to verifying compliance with the waste characterization requirements in any way, but improve the clarity of and more clearly reflect the intent of the Compliance Criteria. Such minor revisions should not require a 120-day public comment period, nor necessitate a public hearing.

We propose that a 30-day comment period is sufficient for the public to provide the Agency with relevant input on such minor revisions of the Compliance Criteria. In addition to the publication of the NPRM in the **Federal Register**, EPA intends to announce the proposal on the Agency's website and place all relevant supporting materials in the Agency's public docket. For all

substitutions of alternative provisions that are not minor alternative provisions, as defined in this document (for example, the addition, deletion, or significant revision of a requirement), EPA will continue to comply with the current requirements of § 194.6.

EPA defines a ''minor alternative provision'' as an alternative provision that ''clarifies a regulatory provision, or does not substantively alter the existing regulatory requirement.'' Thus, revisions that do not alter the intent or the approach to verifying compliance of an existing regulatory requirement are considered to constitute minor alternative provisions. For example, today's proposed revisions to §§ 194.2, 194.12, 194.13, and 194.24(c)(3) are examples of minor changes. The proposed revisions to §§ 194.6 and 194.8(b), however, are examples of non-minor alternative provisions.

2. How Do the Proposed Changes in § 194.6 Comport with 40 CFR part 191?

The proposed changes for § 194.6 comport fully with the radioactive waste disposal regulations at 40 CFR part 191. The WIPP must comply with EPA's radioactive waste disposal regulations located at Subparts B and C of 40 CFR part 191. These regulations limit the amount of radioactive materials that may escape from a disposal facility, and are intended to protect individuals and ground water resources from dangerous levels of radioactive contamination. The Compliance Criteria implement and interpret the general disposal regulations specifically for the WIPP, and constitute the basis on which EPA's certification decision was made. Section 194.6 was included in the Compliance Criteria to ensure that any amendments to the Criteria would be effected through the same rigorous rulemaking procedure under which the original Criteria were promulgated. The proposed amendment to § 194.6 would not substantively alter the scope of those requirements. The Compliance Criteria would continue to include the current process established in § 194.6 to revise 40 CFR part 194. The principle difference between the existing and proposed new provisions is the addition of a revision process for minor changes. This new revision process would not substantively affect the Compliance Criteria's implementation of 40 CFR part 191.

3. What Are the Costs, Risks, and Benefits of Compliance with the New Provisions in § 194.6 ?

As part of our implementation efforts for the 1998 certification decision, we will continue to develop revisions to the Compliance Criteria, as we deem necessary, based on lessons learned from our oversight experience. This is our first revision to the Compliance Criteria since the initial certification decision in 1998.

There will be no increased costs for EPA as a result of the proposed revision. Rather, EPA believes that it is reasonable to expect significant savings over the period of active regulation of the WIPP. The proposed revision will shorten rulemakings where appropriate and eliminate a requirement for public hearings in instances where the impact of changes would be small and public interest may reasonably be expected to be low. Moreover, EPA does not expect DOE to incur additional costs, since the implementation of § 194.6 is solely EPA's responsibility.

EPA does not anticipate any increased risks related to the implementation of the proposed revision. Rather, we anticipate that EPA's regulatory activities will become more efficient, and that EPA will be able to implement necessary minor revisions to the Compliance Criteria that are designed to improve implementation and consistency in regulatory compliance.

The benefits of the proposed revision to § 194.6 are several. First, the Agency, would be able to make minor revisions to the Compliance Criteria in a timely fashion. Making these types of revisions in a shorter timeframe will enhance compliance with 40 CFR part 194. Second, the public will continue to have an opportunity to review and comment on proposed minor revisions. Third, the Agency will continue to hold public hearings in New Mexico for major revisions to the Compliance Criteria. Fourth, DOE will be able to implement minor revisions faster, therefore, this proposed revision will contribute to safer and more cost effective disposal of radioactive wastes.

## IV. How Is EPA Revising the Approval Process for Waste Shipment From Waste Generator Sites for Disposal at WIPP in § 194.8(b)?

### *A. What Are the Current Requirements in § 194.8(b)?*

Section 194.8(b) describes the process by which EPA reviews and approves WIPP-related waste characterization activities [1] at DOE transuranic waste sites. At present, for each waste stream or group of waste streams [2] other than those approved in our final certification decision, DOE must provide information on how a waste site uses process knowledge [3] to characterize those streams (§ 194.8(b)(1)(i)). The DOE also must implement a system of controls [4] that confirms that the total quantity of important waste components [5] in the WIPP does not exceed limits established by the final Certification Decision (§ 194.8(b)(1)(ii)). In order to show EPA that the system of controls is effective, DOE must demonstrate each TRU waste site's measurement techniques and control methods, and must demonstrate that data about waste components are properly transferred from the waste sites to the WIPP Waste Information System (WWIS).[6]

To evaluate compliance with the above-mentioned requirements, we must inspect and approve each DOE transuranic waste site that wishes to ship waste to the WIPP for disposal. We must inspect the site's use of process

[1] The term ''waste characterization,'' as we use it with regard to the WIPP repository and the numerous waste generator sites, encompasses a wide array of activities, all of which serve to determine what is inside any given container of transuranic waste and to control that container until DOE places it in the WIPP for disposal. Stated generally, the Compliance Criteria for waste characterization in § 194.24 require DOE to: Determine which waste components (such as ferrous metals) and characteristics (e.g., acidity) are relevant to the WIPP's performance; show how they affect performance; and identify and track significant waste components as they are placed in the WIPP. The last of these activities is the subject of § 194.8(b). The waste characterization requirements are discussed in great detail in the preamble to the May 18, 1998, Certification Decision final rule. (63 FR 27389–27393)

[2] The term ''waste stream'' means wastes derived from a single process or activity that are similar in material, physical form, isotopic makeup, and hazardous constituents. (Certification Decision proposed rule 62 FR 58813.)

[3] Process knowledge (''PK'') refers to knowledge of waste characteristics derived from information generated contemporaneously with the waste on the materials or processes used to generate the waste. This information may include administrative, procurement, and quality control documentation associated with the generating process, or past sampling or analytical data. Usually, the major elements of process knowledge include information about the process used to generate the waste, material inputs to the process, and the time period during which the waste was generated. (Certification Decision final rule 63 FR 27390.)

[4] The system of controls for waste characterization includes, but is not limited to: Measurement, sampling, chain of custody records, record keeping systems, waste loading schemes used, and other documentation. 40 CFR 194.24(c)(4).

[5] The term ''waste component'' means ''an ingredient of the total inventory of the waste that influences a waste characteristic''. 40 CFR 194.2. The term ''waste characteristic'' means ''a property of the waste that has an impact on the containment of waste in the disposal system''. 40 CFR 194.2. The important waste components with regard to the WIPP's compliance are radionuclides, ferrous and nonferrous metals, organic materials such as paper and rubber, and free water.

[6] The WWIS is described in Chapter 4 (page 4–35) of the WIPP Compliance Certification Application as ''a computerized data management system used * * * to gather, store, and process information pertaining to transuranic (TRU) waste destined for or disposed at the WIPP.'' [Air Docket A–93–02, Item II–G–1.]

knowledge and witness a demonstration of waste characterization processes for each waste stream, or group of waste streams, that the site intends to ship. If a site receives our approval to ship a single waste stream, that site cannot ship a different waste stream until we perform an additional inspection under authority of § 194.8(b). EPA imposed these requirements as a condition of the certification to ensure full compliance with the waste characterization regulations at § 194.24(c).

Once DOE has submitted waste characterization program plans for a given site, we place the plans in our docket and publish one or more notices in the **Federal Register** that announce the availability of the plans and our intent to inspect the site on a specific date (§ 194.8(b)(2)). We also open a comment period of at least 30 days for others to comment on the waste site's plans. After the inspection, we notify DOE of our compliance determination by letter, and place the letter and the report of the inspection in our docket (§ 194.8(b)(3)). Finally, we perform follow-up inspections at a site to verify the continuing compliance of approved waste characterization programs (§ 194.8(b)(4)).

The following two subsections explain the purpose of the requirements described above and the basic elements of a waste characterization inspection.

1. What Is the Purpose of EPA's Waste Characterization Inspections?

The purpose of EPA inspections at DOE sites is to verify that TRU waste sites are characterizing and tracking the waste such that EPA is confident that the volume and characteristics of the wastes conform with the requirements of the WIPP LWA and the specific conditions of the Certification Decision. The requirements set forth at § 194.8(b) establish a process by which EPA determines whether DOE is in compliance with Condition 3 of the Certification Decision. Condition 3 states, ''[t]he Secretary [of Energy] shall not allow shipment of any waste from any additional LANL [Los Alamos National Laboratory] waste stream(s) or from any waste generator site other than LANL for disposal at the WIPP until the Agency has approved the processes for characterizing those waste streams for shipment using the process set forth in § 194.8.'' (40 CFR part 194, Appendix A.) Accordingly, § 194.8(b) sets forth procedural requirements for EPA's approval of DOE TRU waste sites to ship specific waste streams or groups of waste streams to WIPP.

The basis for applying Condition 3 to the WIPP project is rooted in our rationale for the waste characterization criteria in § 194.24. We developed these criteria because, ''in order to make meaningful predictions about the performance of the WIPP over long periods of time, it is necessary to have a good understanding of the characteristics of the waste proposed to be emplaced in the disposal system.'' (Compliance Criteria proposed rule, 60 FR 5771). We required DOE to show, in its compliance application for the WIPP, that a ''system of controls'' was in place to ensure that ''the actual characteristics of waste will be identified before the waste is emplaced in the WIPP.'' (60 FR 5772).

The DOE developed an extensive set of technical and quality assurance requirements with which all transuranic waste sites must comply before shipping waste to the WIPP for disposal. At the time of application, DOE had incorporated these requirements into such documents as the Quality Assurance Program Plan (QAPP), Waste Acceptance Criteria (WAC), and Quality Assurance Project Plan (QAPjP). However, DOE did not submit the necessary information about all transuranic waste site programs in the application. At the time that DOE submitted the CCA, most sites had not begun the complex process of complying with the WIPP waste characterization requirements and the information therefore was not available to EPA during the certification process. (Certification Decision proposed rule 62 FR 58813–58814).

Consequently, we were not able to determine during the certification rulemaking that the technical and quality assurance requirements for waste characterization activities had been established and properly executed at all transuranic waste sites. LANL was the only transuranic waste site to demonstrate during the certification rulemaking that it could meet the waste characterization requirements for certain wastes. Therefore, as stated in Condition 3 of the certification, EPA only authorized DOE to ship legacy debris waste from LANL to the WIPP. DOE was not authorized to ship other than legacy debris waste from LANL, or any waste streams from other TRU waste sites, until DOE had demonstrated the ability to properly characterize these wastes.

DOE's Carlsbad Field Office (CBFO), which operates the WIPP, is responsible for maintaining compliance with EPA's waste characterization requirements. DOE transuranic waste sites vary considerably with regard to the types of waste they characterize and the manner in which they implement the program requirements of CBFO. Therefore, confirmation that waste characterization is adequate must take place where waste characterization occurs, that is, at the transuranic waste sites themselves. (Certification Decision final rule, 63 FR 27392). Inspections of waste characterization programs at individual sites are the best way for us to verify that the sites have identified the actual characteristics of the waste.

During inspections, we have access to the site personnel who perform the work, to the facilities and equipment used at the site, and to the operators' extensive documentation. Direct observation of the site's activities greatly increases our confidence in their effectiveness. Confidence in the results of waste characterization is particularly important at this early stage of disposal, when DOE is characterizing waste that TRU waste sites packaged years before the establishment of the WIPP Compliance Criteria.[7]

2. What Are the Elements of an EPA Waste Characterization Inspection?

After EPA determines that an inspection is necessary, we define the scope of the inspection based on information provided by DOE. We then prepare, and share with DOE, a checklist for each of the activities that we will inspect. During the inspection, our evaluation of a site's waste characterization activities typically involves the activities listed below. EPA inspectors may or may not perform these and other activities depending on the scope of the inspection.

- Review procedures, records of the maintenance and calibration of equipment and instruments, and personnel training files.
- Interview responsible personnel (such as equipment operators) and site managers overseeing program implementation.
- Observe analytical testing of waste drums selected by EPA inspectors to ensure that approved procedures are followed and an instrument is capable of analyzing a given waste stream.
- Observe equipment operation to determine whether the operator has deviated from the procedures and why and how the deviation may haven affected the waste characterization.
- Review waste stream data reports.
- Track waste characterization data through various phases of its generation and confirmation and eventual inclusion in the WWIS.

[7] EPA specifically addressed public comments concerning the importance of Condition 3 in EPA's Response to Comments Document for the Certification Decision. *See* EPA Air Docket A–93–02, Item V–C–1, pages 2–5 to 2–9.

The inspectors' determinations are recorded in the checklist for each activity that we inspect. At the end of each inspection, we prepare an inspection report. The completed checklists are included in the inspection report. The inspection report also describes any findings or concerns that the inspectors identified, and states whether EPA requires a response showing how any unresolved finding or concern was resolved.[8] It is sometimes necessary to return to a site to confirm the adequate resolution of a finding. After a site is approved, EPA may review the site's progress on issues that we identified previously during a subsequent compliance inspection.

*B. What Are the Proposed Changes to § 194.8(b)?*

Section 194.8 will continue to describe the process by which EPA will inspect and approve waste characterization activities at TRU waste sites. However, we are proposing to alter the process so that the individual waste generator sites will only need one § 194.8 approval from EPA to conduct waste characterization activities related to all on-site waste streams. This single § 194.8 approval will, however, specify any limitations on the approval that will necessitate additional inspections by EPA. Any such additional inspections will be conducted under authority of § 194.24(h), not under § 194.8. The second key change is that the opportunity for public comment will come after EPA has completed its inspection, but before EPA has approved the site. Therefore, EPA will request public comment on the Agency's inspection report and proposed compliance decision for a site under § 194.8. The revised process by which the Agency will verify compliance with Condition 3 of the certification is described below, followed by an explanation of the two principal procedural changes that result from the revisions.

Under today's proposal, first, we require DOE to implement waste characterization programs and processes in accordance with § 194.24(c)(4) to confirm that the total amount of each waste component that will be emplaced in the WIPP will not exceed the upper limiting value or fall below the lower limiting value described in the introductory text of paragraph (c) of § 194.24. Waste characterization processes include the collection and use of acceptable knowledge; destructive and/or nondestructive techniques for identifying and measuring waste components; and the validation, control, and transmittal to the WIPP Waste Information System database of waste characterization data in accordance with § 194.24(c)(4).

Second, DOE must notify EPA in writing that a waste characterization program at a transuranic waste site is prepared to characterize waste destined for disposal at the WIPP. The Department will also send documents that explain the site's system of controls for waste characterization, including the use of acceptable knowledge, as described in § 194.24(c)(4).

Third, EPA will conduct a baseline inspection of the waste characterization program at the site to verify that an adequate system of controls has been established in plans and technical procedures, and that those plans and procedures are adequately implemented. The inspection will include a demonstration by DOE of the following: collection and appropriate use of acceptable knowledge data; destructive and nondestructive techniques for measuring waste components identified in accordance with § 194.24(b)(2), performed on the wastes proposed for disposal; verification of the qualifications of the personnel responsible for performing waste characterization activities; and the validation, control, and transmittal to the WIPP Waste Information System database of waste characterization data, in accordance with § 194.24(c)(4). It may be necessary to conduct follow-up inspection activities or continuation of the baseline inspection in order to obtain additional information and/or confirm the implementation of corrective actions.

Fourth, EPA will announce in the **Federal Register** our proposed Baseline Compliance Decision to accept the site's compliance with § 194.24(c)(4). In the notice, we will solicit public comment on the relevant inspection report(s) and all supporting materials that we rely upon in making our proposed Baseline Compliance Decision. These materials will be placed in the public docket described in § 194.67. The notice will describe any limitations on approved waste streams or waste characterization processes and identify (through tier designations) what changes to the approved waste characterization process must be reported to and approved by EPA before they can be implemented. EPA will designate significant changes as Tier 1; minor changes will be designated as Tier 2. The notice will open a 30-day public comment period on the proposed compliance decision.

Fifth, after the end of the public comment period our written final Baseline Compliance Decision will be conveyed in a letter from the Administrator's authorized representative to DOE. DOE will comply with any reporting requirements identified in the Baseline Compliance Decision and the accompanying inspection report. A section summarizing significant comments and issues arising from comments received on the compliance decision, as well as the Administrator's response to those comments and issues, will be included in our final inspection report and will be made available to the public through our public docket. A copy of our compliance decision letter will also be placed in the docket.

Last, after a site receives our Baseline Compliance Decision, EPA will conduct inspections under § 194.24(h) to confirm the continued compliance of the programs approved and/or to verify the adequacy of any tier-assigned changes to the waste characterization processes not authorized by our Baseline Compliance Decision. DOE must report to EPA any changes as identified in the inspection report of our Baseline Compliance Decision. The reporting will inform EPA's decision whether to perform follow-up inspections. The results of EPA's inspections will be made available to the public through the public docket. If we determine that the system of controls used by the site is not adequate to characterize certain waste streams, then the site may not dispose of materials from those waste streams at the WIPP until the Agency's findings have been adequately resolved.

1. Changes to the Scope of EPA Approvals of Waste Characterization Programs

Under the proposed new provisions, EPA will issue a proposed Baseline Compliance Decision that describes what we inspected and found to be technically adequate and also identifies DOE's subsequent reporting requirements for the waste characterization program in question. The various elements of the waste characterization program will be tiered, and the basis for the tiering will be described in the inspection report that accompanies the proposed Baseline Compliance Decision.

The proposed tiering approach is a mechanism by which EPA can specify which changes to an approved waste characterization program require EPA approval before waste characterized by

[8] In the context of its 194.8 inspections, EPA has defined a finding as ''a determination that a specific item or activity is not in compliance with 40 CFR part 194.'' Similarly, EPA has defined a concern as ''an opinion that a specific item or activity may lead to noncompliance with 40 CFR part 194 at a future time''.

that program is disposed of in the WIPP. TRU waste sites would have a clear understanding of which changes must be approved by EPA prior to shipment and disposal. The tiering of elements of the system of controls for waste characterization will vary depending on the type of analytical systems that a site has demonstrated, the types of retrievably-stored waste at a site, and the type and quality of information the site has compiled to describe waste contents. The proposed tiered approach applies only to waste characterization activities subject to § 194.8(b) requirements.

We propose to institute two tiering levels. Tier 1 designation will be given to activities for which changes have a potentially significant impact on compliance with EPA regulations, such as changes that directly affect measurements and/or estimates of isotopes and other limited waste components. Tier 1 activities are those for which EPA approval would be necessary prior to shipment and disposal of waste. For example, EPA approval would be necessary if a site introduced a new radioassay technique, because radioassay is a critical element of the system of waste characterization controls. Technical areas that are likely to be subject to Tier 1 designation are acceptable knowledge and radioassay. DOE will be required to submit documentation to EPA in advance that describes planned changes to Tier 1 activities. This documentation will inform EPA's decision regarding which actions, such as performance of an inspection, are necessary in order to approve the changes.

Tier 2 activities are those for which EPA approval would not be necessary prior to shipment and disposal of waste. An approved site could implement changes to elements of the waste characterization program with Tier 2 designation without first being inspected or approved by EPA. However, DOE must report changes in the manner prescribed by EPA in the Baseline Compliance Decision. DOE's reporting of changes to Tier 2 activities will assist EPA with the planning of follow-up inspections at sites.

Tier 2 designation will be given to activities that have a minor impact on compliance with the WIPP Compliance Criteria or are sufficiently standardized that they would not be expected to change significantly. For example, the actual operation of radiographic equipment does not vary greatly from machine to machine or from site to site. Also, minor revisions to procedures are a regular part of operations and usually serve to clarify or improve work processes. Technical areas that are likely to be subject to Tier 2 designation are radiography and visual examination. The required reporting by DOE of Tier 2 changes will enable EPA to monitor the overall waste characterization program at a site and develop targeted inspection plans for continuing compliance inspections.

When we approve a waste characterization program, we will assign tiering designations based chiefly on the following topics: the extent to which a process was demonstrated at the time of our § 194.8(b) inspection(s); quality of documentation; the range of possible waste streams at a site; the demonstrated proficiency of waste characterization personnel; and the site's compliance with DOE's waste acceptance criteria for the WIPP, as reviewed and approved by EPA. Our inspection report will describe EPA's requirements for reporting of changes to waste characterization activities, including the scope and frequency of reporting.

Sites that have not been authorized by EPA to ship waste to the WIPP under the current provisions of § 194.8(b) will be subject to the new process immediately after we issue the final version of this rule. For sites that already have received EPA's approval to ship certain waste streams, we are proposing to reinspect those sites using the revised process. In other words, we will perform a full-scope inspection at approved sites (Hanford Site, Idaho National Energy and Environment Laboratory, Los Alamos National Laboratory, Rocky Flats Environmental Technology Site, and the Savannah River Site) in order to reset the Baseline Compliance Decision based on current activities at the sites. We will place our proposed compliance decision for each approved site in our docket and open comment on it. TRU waste sites with an approved waste characterization program may continue to ship waste within the scope of the existing approval while the baseline inspection process is taking place, provided that they continue to operate in accordance with the WIPP Compliance Criteria.

DOE has initiated an effort called the Central Characterization Project (CCP) to assist small quantity TRU waste sites with the completion of the waste characterization activities required by EPA and State agencies. Under the CCP, a single DOE contractor assumes responsibility for the characterization of a site's transuranic waste. The CCP sends a mobile waste characterization laboratory to the site to complete certain activities, such as radioassay.

EPA has approved the CCP's operation at the Savannah River Site, where it was first tested [Air Docket A–98–49, Item II–A4–19]. Under the existing provisions for § 194.8, EPA must first inspect and approve the CCP at each site, for each waste stream or group of waste streams. Under the proposed new provisions, EPA approval under § 194.8(b) will still be required for CCP operations at each site. However, once we have approved the CCP at a site, the CCP will be approved to characterize all waste streams at that site. Moreover, any subsequent inspections by EPA will be performed under § 194.24(h). The same processes described above for TRU waste sites will apply to our compliance decisions for the CCP.

2. Changes to Public Notice of Waste Characterization Inspections

Under the existing provisions of § 194.8(b), EPA opens comment on DOE waste characterization plans each time that we plan to inspect a waste characterization program at a site, if that program involves new waste streams or changes to the system of waste characterization controls. We announce comment periods and dates of inspections in the **Federal Register**. Because each site has multiple waste streams and evolving waste characterization programs, we have opened multiple comment periods on different documents for each site that we have approved to ship waste. We respond to the relevant comments that we receive in our inspection reports, and docket the inspection reports and compliance decisions.

Under the new provisions of § 194.8(b), EPA will request comment on our proposed Baseline Compliance Decision for each site, which includes the results of our inspection(s) in the form of an inspection report, and any appropriate supporting documentation, such as objective evidence in support of Agency findings. We will open comment periods only in relation to baseline inspections under § 194.8(b). We will continue to respond to the relevant comments that we receive in our inspection reports, and to docket the inspection reports and compliance decisions. The results of subsequent inspections of waste characterization programs that we perform, including for the purpose of approving Tier 1 changes, will be placed in our docket.

In addition to these steps, we plan to continue to announce our inspections and other WIPP-related activities on our WIPP home page at *www.epa.gov/radiation/wipp* and our WIPP Information Line (1–800–331–9477). We

encourage the public to visit our Website and to contact us with questions or information regardless of whether we have opened a public comment period. (Comments in response to an announcement in the **Federal Register** should be sent directly to the EPA docket specified in the announcement.)

*C. How Has EPA Addressed the Alternative Provision Analysis Required by § 194.6?*

The proposed changes to § 194.8(b) are needed to increase the options available to EPA in implementing our regulatory oversight of DOE's waste characterization program, and to simplify the public notice process.

1. How Do the Proposed Changes Comport With 40 CFR part 191?

Considered individually and as a group, the proposed changes comport fully with the radioactive waste disposal regulations at 40 CFR part 191. The inclusion of requirements for waste characterization in order to implement the disposal regulations was established by the rulemaking that resulted in the WIPP Compliance Criteria at 40 CFR part 194. Today's proposed changes do not alter the scope of the part 191 requirements. The Compliance Criteria will continue to apply waste characterization requirements to the WIPP project. The principal difference between the existing and proposed provisions is the process by which EPA verifies compliance with the provisions and notifies the public of that process. This new process will not substantively affect the Compliance Criteria's implementation of EPA's radioactive waste disposal regulations at 40 CFR part 191. Moreover, EPA believes that the proposed changes to the 194.8 approval process will allow for more meaningful public participation.

2. Why Do the Existing Provisions Appear Inappropriate?

EPA considers the existing provisions inappropriate for the reasons explicated below. EPA explained the basis for the existing provisions in the May 18, 1998, Certification Decision final rule (63 FR 27354).[9] The importance of independently verifying the adequacy of waste characterization activities conducted by DOE has not grown any less relevant. However, our experience with site inspections since the 1998 certification decision has raised two key issues that we believe must be addressed through alternative provisions.

First, for a variety of reasons, the focus of the existing provisions on waste streams as the determining factor for initiation of an inspection is overly restrictive for EPA. The requirement at § 194.8(b)(1) that DOE must demonstrate the system of controls for each waste stream or group of waste streams reflects the fact that some waste streams are better documented than others. Consequently, there may be variations in how a given site uses information in the acceptable knowledge (AK) record in relation to the AK confirmatory program that DOE employs under the terms of the Certification Decision. DOE sites must report to WIPP as part of the TRU waste tracking requirement on a container basis, quantities of 10 WIPP-tracked radionuclides (americium-241, cesium-137, plutonium-238, plutonium-239, plutonium-240, plutonium-242, strontium-90, uranium-233, uranium-234, and uranium-238) disposed of at the WIPP. Reporting on a container basis may require sites to perform additional waste analysis if using the site-compiled AK is not adequate to estimate these radionuclides. Similarly, sites are responsible for reporting the quantities of cellulosics, paper, and rubber (CPR) present in each waste container. During the certification rulemaking, we were concerned about the need to monitor the effect of these variances on the quality of waste characterization data. Section 194.8(b) was therefore constructed such that changes to the system of controls, in addition to the introduction of new waste streams, would be sufficient cause to require separate approval. As explained in the 194.8 BID document, EPA's regulatory experience over the past four years suggests that this narrow focus on specific waste streams is no longer necessary.

Second, the public notice process described in § 194.8(b) has not yielded the level of comment that we anticipated. As demonstrated by the quantity and type of comments we have received following publication of inspection announcements in the **Federal Register**, the process may actually be a source of confusion for the public. Each of these issues is discussed below.

a. *Why are the existing provisions overly restrictive for EPA?* EPA now has several years of experience with inspections at DOE sites where waste characterization takes place. Since certifying the WIPP in May 1998, we have completed over twenty inspections under authority of § 194.8. We also have completed numerous other inspections of waste characterization activities under authority of §§ 194.21 and 194.24(h). We conducted the § 194.8 inspections at Los Alamos National Laboratory, Rocky Flats Environmental Technology Site, Idaho National Engineering and Environmental Laboratory, the Nevada Test Site, the Savannah River Site, and the Hanford Site. In addition, we inspected the operation of the DOE Central Characterization Program (CCP) at the Savannah River Site. We approved all of the programs we inspected except for the Nevada Test Site. We also have observed DOE audits at Lawrence Livermore Laboratory and Battelle Columbus Laboratory for the purpose of learning about the system of waste characterization controls those sites are developing.[10]

Based on this experience, we have determined that the existing provisions constrain EPA's ability to apply limited resources to a burgeoning waste characterization program for maximum regulatory benefit. Under the existing provisions, we must conduct a § 194.8 inspection at a site if any of the following conditions is true: the site has not previously been approved by EPA to ship waste; the site seeks approval for one or more new waste streams that will be characterized using approved processes; the site seeks approval for one or more new waste streams that will be characterized using at least one new or revised process; or the site seeks approval to introduce a new or revised process to characterize one or more previously approved waste streams.

DOE is currently engaged in waste characterization at five major sites, and plans to begin operations at four or more additional sites in the near future. The number of DOE sites that ultimately will ship waste to the WIPP could grow to approximately two dozen. There are or will be hundreds of waste streams at these sites, and the methods used to characterize them will change as sites acquire new instruments and techniques. Consequently, the expansion of DOE's national transuranic waste shipment program could lead to an indefinite expansion of EPA's inspection program. If EPA must complete a § 194.8 inspection for each

[9] The existing provisions were designed to address the fact that at the time of certification, DOE was able to demonstrate the effectiveness of the proposed system of controls for waste characterization only for certain waste streams at Los Alamos National Laboratory [see 63 FR 27390].

[10] EPA has prepared a document entitled ''Background Information Document for § 194.8(b) Modification'' (Air Docket OAR–2002–0005–0001), which explains in more detail the technical elements examined during waste characterization inspections, summarizes EPA's inspection experiences to date, and presents lessons learned. This document expands and complements this preamble discussion for the proposed revisions to § 194.8(b).

new waste stream, group of waste streams, or waste characterization process, the demands of this inspection regime will overwhelm our resources.

We believe that it is appropriate to amend the Compliance Criteria to increase the flexibility of our waste characterization inspection program. At present, the most restrictive factor in the existing provisions is that § 194.8(b) requires EPA to issue approvals that are specific to individual waste streams or groups of waste streams. Our experience with DOE's waste characterization activities since 1998 has shown that there are multiple factors that must be considered when verifying technical adequacy, including but not limited to waste groupings. Moreover, for purposes of waste characterization as required under the Compliance Criteria, the applicable waste groupings at the site are often of limited relevance. Typically, DOE TRU waste sites define and delineate waste streams on the basis of factors related to hazardous components of the waste, not radiological waste components. Thus, while the waste stream groupings may have significant relevance for RCRA purposes, they are often of less relevance for purposes of waste characterization requirements conducted under authority of the WIPP LWA.

In order to approve a site's waste characterization program, we must be confident that the site is capable of identifying and reporting waste components (particularly certain radioisotopes) identified in the 1998 Certification Decision as important to compliance (*see* Compliance Application Review Document (CARD) 31, Air Docket A–93–02, Item V–B–2). As DOE stated in Chapter 4 of the Compliance Certification Application (Air Docket A–93–02, Item II–G–1), a combination of qualitative and quantitative methods would be used to identify and report waste components.

*These methods are:* acceptable knowledge, which provides information about waste stream contents and the processes that generated the waste; nondestructive examination of waste containers using radiographic techniques, which provides qualitative estimates of physical waste components; destructive and nondestructive examination of waste containers using radioassay techniques, which was the only quantitative means proposed by DOE to quantify radioisotopic components; destructive (visual) examination of sampled containers to confirm the results of radiography through direct observation and measurement; and data reporting via the WIPP Waste Information System (WWIS). Confirmation of data validity at various points is an integral part of these processes.[11] All of these technical processes constitute the ''system of controls'' specified in § 194.24(c)(4).

The demonstrated effectiveness of a given element of the system of controls may or may not be constrained by the specific features of a waste stream. A TRU waste site's implementation of certain elements of the system of controls, such as the WWIS, may not change at all from one waste stream to the next. In contrast, which nondestructive assay techniques may be effective for a given waste stream depends in part on the physical form of the waste and the quality of the acceptable knowledge for that waste.

The result most often has been that we have defined limitations on approved waste streams based on the element of the system of controls whose effectiveness is tied most closely to the characteristics of individual waste streams, that is, nondestructive assay (NDA). We have limited (or narrowed) our approvals to certain NDA equipment because factors such as the calibration and physical location of an individual instrument are important to the technical adequacy of the method, and because instrument performance varies based on the radioisotopes in a waste container. DOE may only ship waste streams characterized with certain equipment; otherwise, EPA must conduct another § 194.8 inspection to approve new equipment.

Our new approach to waste characterization inspections, with the new tiering approach, will require DOE to report changes such as the introduction of new nondestructive assay equipment, but will allow EPA to determine whether an inspection is needed for the new equipment. Under Tier 2, it is possible that a ''desktop'' review of procedures and data packages will be sufficient to demonstrate the similarity of a new process to an approved process. Alternatively, under Tier 1, EPA will have flexibility to schedule an inspection whose scope covers multiple processes and waste streams, *etc.*[12]

Ultimately, the critical factor in our decision making on the initial approval is how effectively TRU waste sites set and enforce appropriate limitations on the usage of certain techniques, and how carefully they confirm and control the results of those techniques. Issuance of our approval under § 194.8(b) means that we have found that the site developed appropriate procedures for waste characterization processes; the site properly implemented those procedures; and we are confident, based on our independent evaluation, that the data reported to the WWIS are properly controlled.

We will continue to make this assessment during the initial § 194.8 inspection(s) at a site. Under the existing provisions, introduction of any waste streams or processes outside the scope of the initial approval necessitates potentially many more § 194.8(b) inspections. The changes that we are proposing today will not alter our authority to limit the scope of any site approval. Rather, the changes will enable EPA to determine independently whether a subsequent inspection is appropriate, and when it should occur. We reserve the authority to specify any appropriate limitations on the waste streams that may be shipped and the processes that may be used to characterize waste.

b. *How can the public notice process for § 194.8 inspections be improved?* Under the existing provisions, EPA must publish a notice in the **Federal Register** announcing a scheduled inspection under authority of § 194.8(b)(2). In the same notice or a separate notice, we must solicit public comment for at least thirty days on waste characterization program plans and other documents relevant to the inspection. DOE sends these plans and other documents to EPA and we place copies in our public docket and supplemental dockets. After the comment period has ended, we notify DOE by letter of our compliance determination and place the resulting inspection reports in our dockets (§ 194.8(b)(3)).

In our 1998 Certification Decision, we explained the rationale for the process described in § 194.8(b). In particular, we explained that our compliance decision must be based on our independent inspections of waste characterization processes. Inspections involve review of many different documents, interviews with staff, and on-site demonstrations, which are then summarized and made

[11] For quality assurance purposes, we verify that data validation occurs in accordance with site procedures, and that properly qualified and independent QA personnel review the data. This step takes place during a QA audit or inspection. For technical purposes, we independently verify the quality of a sample of data. This step takes place during a waste characterization inspection.

[12] Currently, EPA is able to conduct such a broad scope inspection. However, new processes and/or waste streams must be inspected under § 194.8(b), and previously approved processes and/or waste streams must be inspected under §§ 194.21 and 194.24(h). Today's proposal would allow EPA to review new processes and waste streams under § 194.24(h) after a site has been initially approved under § 194.8(b).

public in our inspection reports [see, for example, EPA Air Docket A–93–02, Item V–C–1, pp. 2–8 to 2–11 and 6–26]. We are not able to provide all potentially relevant information in our dockets when we open a public comment period. Under the existing provisions, we open comment on the top-tier program plans that describe the fundamental requirements for and organization of waste characterization activities at a site, plus additional procedures if appropriate to the scope of the inspection.

Such documents inform our preparation for an inspection and are sufficient to allow the public to raise compliance concerns or questions, or provide additional information to EPA, so that we are aware of that information prior to reaching a compliance decision. We refrain from reaching a final compliance decision until we have reviewed and responded to public comment. Our inspection reports reference the specific materials that we reviewed at the site and contain objective evidence in support of our findings.

As mentioned above, we have completed a significant number of inspections under authority of § 194.8(b) since May 1998. We have published a total of twenty-one **Federal Register** notices related to those inspections. In response, we received only nine sets of comments, which we believe to be low. Also, several comments consisted of requests to extend a public comment period, which suggests there may be a misunderstanding of the purpose of the comment period under current procedures (that is, to comment on the waste characterization documents in the docket and/or raise concerns to EPA). Specifically, at least one of the requests argued that an extension was appropriate so that information other than the waste characterization plans and procedures could be docketed and reviewed by the public. Both of these factors indicate that the existing provisions for public notice are not optimal for either EPA or the public.

There is also evidence to suggest that the conditions that necessitate additional § 194.8 inspections at an approved site may not be widely understood, even within the DOE transuranic waste complex. The most serious example occurred in July 2001, when EPA learned that waste was shipped from DOE's Idaho site (INEEL) and disposed of in the WIPP despite having been assayed by equipment that had not approved by EPA following inspection. INEEL had received our approval to use certain waste characterization processes on certain waste streams in 1999, but the equipment in question was not included in the previous approval. During an inspection to investigate the nonconformance, we learned that its cause was an isolated failure to follow document control procedures. Nevertheless, our interviews with site personnel and Carlsbad Field Office personnel revealed confusion over whether a § 194.8(b) inspection (including public notice) was required for the new equipment (see Air Docket A–98–49, Item II–A1–28).

In response to these issues, the new public notice process that we are proposing would change three key aspects. First, each site would be inspected only once under § 194.8(b), therefore only one comment period would be opened for each site under § 194.8. Second, EPA would solicit comment not only on DOE documentation, but also on our baseline inspection report(s) and proposed compliance decision for each site. The comment period would begin after we have completed all necessary inspections and assembled the inspection report(s). Third, the inspection report resulting from a site's § 194.8(b) baseline inspection(s) would identify and explain EPA's tier assignments for DOE reporting of changes to the approved waste characterization processes, based on the conditions and maturity of the waste characterization program particular to that site. This reporting would inform EPA that a site has implemented or is considering changes to the approved waste characterization processes. For those changes requiring EPA approval, we would perform follow-up inspections prior to allowing changes in the site's system of controls, or in the waste streams shipped from the site. We believe that this approach is more straightforward than the existing provisions and should serve to reduce any confusion about the public notice process that may exist.

3. What Are the Costs, Risks, and Benefits of Compliance With the Alternative Provisions?

Since 1998, we have conducted over twenty inspections under § 194.8(b), at an average cost of approximately $22,350 each (this estimate includes contractor travel and technical support plus labor and travel costs of EPA personnel). These inspections were conducted to approve both new waste streams and new waste characterization processes proposed by DOE. DOE has identified 569 different waste streams as potentially eligible for disposal at the WIPP facility [Air Docket A–93–02, Item II-G–1, Vol.s III-IV, Appendix BIR-Transuranic Baseline Inventory Report]. If we were to continue to approve site waste characterization activity on a waste stream basis, the costs and logistics of our inspection schedule would rapidly become unmanageable.

DOE incurs costs as a result of being inspected by EPA. Operations may be interrupted to some extent while key personnel respond to the inquiries of inspectors and operators respond to EPA's requirements for testing of equipment. The additional reporting requirements introduced by the proposed new provisions also represent costs to DOE. However, we do not anticipate that the long-term costs to DOE due to the proposed new provisions will be greater than at present.

The risk associated with the proposed new provisions is the same as that which exists for the existing provisions. There is always a possibility that a compliance issue may continue undetected by EPA for a period of time, leading to the improper placement of waste in the repository. With regard to this possibility, we note several important considerations. First, EPA will maintain a rigorous inspection program for WIPP waste characterization activities. Second, DOE is required to maintain an active quality assurance program that audits waste characterization programs on an annual basis for compliance with applicable regulatory requirements. Last, as the operator of the WIPP, DOE is responsible for maintaining the quality of waste characterization programs. As a regulator of the WIPP, EPA's role is to verify independently that DOE is adequately maintaining quality. The combination of DOE's internal quality assurance audits and EPA's independent regulatory inspections has proven able to identify compliance issues and correct them. Therefore, we conclude that the proposed new provisions do not carry greater risks for compliance with the disposal regulations than the existing provisions.

The benefits of the new provisions were described in the preceding section. We expect site shipment activity to increase as approved waste generator sites incorporate new waste streams to their current characterization activities and new waste generator sites seek EPA approval for their shipments for the first time. Under the proposed new provisions, EPA will have more control over our inspection schedule, which will enable us to manage limited resources for maximum regulatory benefit. The proposed changes will not alter EPA's technical approach to

inspections of the waste characterization capabilities at DOE waste generator sites. Inspections will continue to involve in-depth interviews of personnel, careful reviews of analytical procedures, and demonstrations of waste characterization techniques and equipment. We will approve only sites that can effectively characterize wastes destined for disposal at the WIPP. Once those sites are approved, we will continue to oversee their programs through ongoing inspections.

Additionally, we expect that the changes to the public notice process that we are proposing will make the comment period for inspections more relevant. The public will now have an opportunity to review and comment on EPA's proposed decisions and inspection reports prior to site approvals.

Finally, the new provisions will be beneficial to DOE because reporting requirements for DOE will be established on a site-by-site basis. It will be clearer to the sites when a particular change in their activities will trigger review, inspection, or approval on EPA's part. Also, DOE will be able to implement changes in the Tier 2 elements of their waste characterization activities without prior approval. Sites with more effective waste characterization programs, including sites that successfully demonstrate the applicability of waste characterization controls to the broadest possible spectrum of waste at the time of EPA's inspection, are likely to have more activities listed in Tier 2 than sites with less effective programs.

## V. How Is EPA Revising the Submission of Compliance Applications and Reference Materials Requirements in §§ 194.12 and 194.13?

### *A. What Are the Current Requirements in §§ 194.12 and 194.13?*

Section 194.12 of the Compliance Criteria requires DOE to submit 30 copies of the compliance applications and any accompanying materials to the Administrator in printed form. This provision also applies to the compliance applications periodically submitted by DOE for re-certification of compliance.

Section 194.13 requires that 10 printed copies of referenced materials be submitted to the Administrator, unless such materials are generally available.

### *B. What Are the Proposed Changes to §§ 194.12 and 194.13?*

EPA proposes to revise § 194.12 by changing the number of copies of compliance applications in printed form from 30 to 5 (one original and four printed copies). In addition, the Agency is revising § 194.12 to require that DOE submit 10 complete compliance applications in alternative format (*e.g.,* compact disk) or other approved format.

Also, the Agency is proposing to revise § 194.13 by changing the number of copies in printed form of the reference materials from 10 to 5 and to require DOE to submit 10 copies of reference materials in alternative format (*e.g.,* compact disk) or other approved format.

### *C. How Has EPA Addressed the Alternative Provision Analysis Required by § 194.6?*

The proposed changes to §§ 194.12 and 194.13 are intended to minimize the number of copies in printed form that need to be submitted and to allow for the submission of compliance applications and reference materials in alternative format (*e.g.,* compact disk). The use of alternative format will facilitate compliance with 40 CFR part 194 requirements because it will expedite EPA's evaluation of the compliance application and reduce costs associated with the review of compliance applications and reference materials. Receipt of application materials in alternative format will also improve information sharing with the public by enabling the Agency to more easily make these materials available via the Internet.

#### 1. Why Do the Existing Provisions in §§ 194.12 and 194.13 Appear Inappropriate?

The existing provisions in §§ 194.12 and 194.13 are inappropriate because EPA does not need DOE to deliver 30 printed copies of the complete compliance application, nor 10 printed copies of all reference materials. In 1996, when the Compliance Criteria were finalized, the Agency required that 30 copies of the compliance application and 10 copies of the referenced material be submitted for use in our review and evaluation activities. Printed form copies were necessary because the Agency had a limited time period for review and the complexity of the application material required many reviewers. Also, EPA placed copies of these documents in various public dockets.

EPA's requirements for the submission of compliance applications and reference materials have changed since the promulgation of the Compliance Criteria in 1996. If material is submitted in alternative format (*e.g.,* compact disk) or other approved format instead of printed matter, it is only necessary to have 5 printed copies of the compliance application and 5 printed copies of the reference materials not included in previous compliance applications (provided that the information has remained true and accurate) for our four public dockets (including an official copy for EPA).

New advances in information management require the use of new submission methods, such as the use of alternative format (*e.g.,* compact disk). Information and data in alternative format are easier to view, share, navigate, and analyze. However, current regulatory language in §§ 194.12 and 194.13 does not allow for the submission of compliance applications and reference materials in alternative format. Therefore, today's action proposes to revise the regulatory language in these sections to require alternative format (or other approved format) submission of both compliance application (also re-certification applications) and reference materials.

#### 2. How Do the Proposed Changes in §§ 194.12 and 194.13 Comport With 40 CFR Part 191?

The proposed changes to §§ 194.12 and 193.13 comport fully with the radioactive waste disposal regulations at 40 CFR part 191. The inclusion of submission requirements for compliance applications and reference materials in order to implement the disposal regulations was established by the rulemaking that resulted in the WIPP Compliance Criteria at 40 CFR part 194. Today's proposed changes do not alter the scope of those requirements. The Compliance Criteria would continue to apply submission requirements to the WIPP project. The principle differences between the existing and proposed new provisions are that the number of printed copies to be submitted to EPA has been reduced considerably and alternative format (or other approved format) submission of compliance applications and reference materials is now required. The proposed revisions to this part do not impact the Compliance Criteria's implementation of 40 CFR part 191.

#### 3. What Are the Costs, Risks, and Benefits of Compliance With the New Provisions in §§ 194.12 and 194.13?

Sections 194.12 and 194.13 require DOE to submit a specified number of copies in printed form of the compliance application and reference materials. This provision also applies to the compliance applications periodically submitted by DOE for recertification of compliance. The

proposed revisions reduce the number of copies required and requires submission of compliance applications and references in alternative format (or other approved format). We do not anticipate any cost increase related to our implementation of the changes to §§ 194.12 and 194.13. These changes will improve our ability to view, share, navigate, print, and analyze submitted materials. We expect to be able to conduct our review of compliance applications in a more efficient and cost effective manner. Also, the implementation of these changes will facilitate our ability to share information with the public in a more timely fashion. As we received information and data in alternative format, it would be easier to post this information in our webpage. Similarly, we do not anticipate that DOE will experience any cost increase as a result of their compliance activities with this part because the technology to produce alternative format submittals exists and is currently in use.

We do not anticipate any significant risks related to the implementation of the proposed revisions to this part. Submission of information and data in other than paper form is a widely accepted process that will ease the transfer of information between DOE and EPA and therefore, improve compliance with 40 CFR part 194.

In summary, the benefits of the proposed revisions for §§ 194.12 and 194.13 are several. First the Agency will benefit from an improved evaluation process and reduced costs associated with the review of compliance applications and reference materials. Second, the public will be able to have better and faster access to information used in support of WIPP compliance activities. This change will improve the public's ability to participate more actively in the public comment process. Third, the proposed changes to §§ 194.12 and 194.13 are intended to reduce the number of copies in printed form that must be submitted, thereby reducing paper usage.

## VI. How Is EPA Revising the Waste Characterization Requirements in § 194.24(c)(3)?

### *A. What Are the Current Waste Characterization Requirements in § 194.24(c)(3)?*

Section 194.24, waste characterization, generally requires DOE to identify, quantify, and track the chemical, physical, and radiological components of the waste destined for disposal at WIPP that may influence disposal system performance. Section 194.24(c)(3) requires DOE to demonstrate that the use of process knowledge to quantify waste components conforms with the quality assurance (QA) requirements outlined in § 194.22. To demonstrate compliance DOE must have information and documentation to substantiate that process knowledge data acquired and used during waste characterization activities are in compliance with the QA requirements. EPA verifies compliance with this requirement through inspections, where EPA conducts proper review of such information to determine whether use of process knowledge data is appropriate and reliable.

### *B. What Are the Proposed Changes to § 194.24(c)(3)?*

The Agency is proposing to revise § 194.24(c)(3) by replacing the term ''process knowledge'' with the term ''acceptable knowledge.'' The term ''acceptable knowledge'' has been the term used by EPA and DOE since DOE submitted the Compliance Certification Application, during both the certification rulemaking and subsequent site inspections. Use of the term ''acceptable knowledge'' in § 194.24(c)(3) in lieu of ''process knowledge'' will not alter our technical approach to verifying compliance during an inspection; rather, it will reflect our actual practice more accurately.

For consistency with the change being proposed today for § 194.24(c)(3), the Agency is also proposing to add the following definition of ''acceptable knowledge'' to § 194.2: ''*Acceptable knowledge* means any information about the process used to generate waste, material inputs to the process, and the time period during which the waste was generated, as well as data resulting from the analysis of waste conducted prior to or separate from the waste certification process authorized by EPA's Certification Decision, to show compliance with Condition 3 of the certification decision (40 CFR part 194, Appendix A).'' [13]

Section 194.2 is contained in Subpart A (General Provisions) of the rule, which describes the purpose and scope of the regulation, clarifies terms, specifies dates, and imparts a range of administrative information. Section 194.2 focuses on providing an explanation of all terms and abbreviations contained in 40 CFR part 194 for clarification purposes.

### *C. How Has EPA Addressed the Alternative Provision Analysis Required by § 194.6?*

The proposed changes for both §§ 194.2 and 194.24(c)(3) are intended to clarify exactly what information EPA requires from DOE. EPA expects that with these changes, acceptable knowledge (AK) will be more clearly identified as an integral part of the system of controls for waste characterization and will require DOE to provide information about the entire system of controls (including AK) and implement the systems at each site. Again, these proposed changes in terminology do not alter our technical approach to verifying compliance during an inspection, but will reflect our actual practice more accurately.

#### 1. Why Do the Existing Provisions in § 194.24(c)(3) Appear Inappropriate?

We do not consider the existing provisions in § 194.24(c)(3) to be fully inappropriate because process knowledge remains a crucial component of the waste characterization system of controls. However, the Agency seeks to improve communication with DOE and the public and the use of consistent and clear language is an important factor towards meeting that goal. Section 194.24(c)(3) is used to verify compliance in the collection and appropriate use of process knowledge during waste characterization, and that the procedures adhere to the quality assurance requirements identified in § 194.22. During the EPA inspection of a TRU waste site, we review the establishment and implementation of procedures for collection and use of process knowledge, demonstration of waste characterization processes, and the qualifications and practices of technical personnel.

The term ''process knowledge,'' as currently used by EPA in the Compliance Criteria, incorporates information about the process or operation that led to the creation of the transuranic waste.[14] The term ''acceptable knowledge'' includes process knowledge, any data resulting from analysis of waste prior to WIPP waste characterization, and any other information about the physical form of

[13] This definition is consistent with EPA's and DOE's use of the term ''acceptable knowledge'' during the WIPP certification rulemaking. See, for example: Air Docket A–93–02, Item II–G–1, page 4–45; Item V–B–2, Compliance Application Review Document (CARD) 24, page 24–1; and 63 FR 27390, footnote 32.

[14] Examples of processes or operations that create transuranic waste are molding of plutonium with crucibles, laboratory analysis of radioactive samples, and chemical separation of plutonium from other materials. The number and types of processes in use at a DOE site depends on the nature and complexity of the site's mission.

the waste and its base components. The two terms are related; process knowledge is a subset of acceptable knowledge.

In Chapter 4 of the Compliance Certification Application, DOE used the term ''acceptable knowledge'' and explained that this term incorporates ''information regarding the physical form of the waste, the base materials composing the waste, and the process that generates the waste.'' DOE derived this usage from an EPA document entitled, ''Waste Analysis at Facilities that Generate, Treat, Store, and Dispose of Hazardous Waste: A Guidance Manual (EPA530–R–94–024, April 1994.'' This guidance defines AK broadly as including process knowledge, waste analysis data from waste generators, and records of analysis performed. A hazardous waste treatment, storage, and disposal facility when accepting hazardous waste for management may test waste to confirm that the hazardous waste determination done by a generator is accurate and the facility indeed can handle that particular waste type. The referenced guidance document applies specifically to compliance with the Resource Conservation and Recovery Act; however, its definition of AK is consistent with the definition that we are proposing for use in the WIPP Compliance Criteria.

It is important that both EPA and DOE have the same understanding on the terminology applicable to the requirements in § 194.24(c)(3). The use of the term ''process knowledge'' in the Compliance Criteria to date has not interfered with DOE's compliance with the terms and conditions of the certification. However, EPA seeks to avoid the possibility for miscommunication now or in the future.

2. How Do the Proposed Changes in § 194.24(c)(3) Comport With 40 CFR part 191?

The proposed changes to § 194.24(c)(3) comport fully with the radioactive waste disposal regulations at 40 CFR part 191. The inclusion of requirements for waste characterization requirements in order to implement the disposal regulations was established by the rulemaking that resulted in the WIPP Compliance Criteria at 40 CFR part 194. Today's proposed changes do not alter the scope of those requirements. The Compliance Criteria would continue to apply waste characterization requirements to the WIPP project. The principle difference between the existing and proposed new provisions is the replacement of the term process knowledge with acceptable knowledge. The use of the new term would not substantively affect the Compliance Criteria's implementation of 40 CFR part 191.

3. What Are the Costs, Risks, and Benefits of Compliance with the New Provisions in § 194.24(c)(3)?

We do not anticipate any cost increase related to our implementation of the changes to § 194.24(c)(3). EPA will continue to conduct waste characterization oversight in the same manner as before. Similarly, we do not anticipate that DOE will experience any cost increase as a result of their compliance activities with this part. Essentially, DOE will continue to comply with the requirement of this part as they previously have.

We do not anticipate any risks related to the implementation of the proposed revisions to this part. The Agency anticipates that the use of the term acceptable knowledge will serve to enhance communication with the regulated party and therefore, compliance with 40 CFR part 194.

The benefits of the proposed revisions for § 194.24(c)(3) are two-fold. First, the proposed changes will not affect the actual technical approach to verifying compliance during our independent audits and inspections of the relevant WIPP activities. Therefore, EPA will continue to enforce the waste characterization requirements in the Compliance Criteria and ensure that DOE's waste characterization programs are properly implemented. Second, the clarification of the applicable terminology will ensure that no confusion arises regarding the specific waste characterization information required for compliance.

## VII. Administrative Requirements

### *A. Executive Order 12866*

Under Executive Order 12866, (58 FR 51735; October 4, 1993), the Agency must determine whether the regulatory action is ''significant'' and therefore subject to OMB review and the requirements of the Executive Order. The Order defines ''significant regulatory action'' as one that is likely to result in a rule that may: (1) Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order. Pursuant to the terms of Executive Order 12866, it has been determined that this rule is not a ''significant regulatory action.''

### *B. Regulatory Flexibility Act*

The Regulatory Flexibility Act (''RFA'') generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and small governmental jurisdictions. This proposed rule will not have a significant impact on a substantial number of small entities because it sets forth requirements which apply only to Federal agencies. Therefore, I certify that this action will not have a significant economic impact on a substantial number of small entities.

### *C. Paperwork Reduction Act*

This proposed action does not impose an information collection burden under the provisions of the Paper Reduction Act, 44 U.S.C. 3501 *et seq.* The Compliance Criteria in 40 CFR part 194 requirements are applicable only to both DOE and EPA and do not establish any form of collection of information from the public.

### *D. Unfunded Mandates Reform Act*

Title II of the Unfunded Mandates Reform Act of 1995 (''UMRA''), Public Law 104–4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Pursuant to Title II of the UMRA, we have determined that this regulatory action is not subject to the requirements of sections 202 and 205, because this action does not contain any ''federal mandates'' for State, local, or tribal governments or for the private sector. This rule applies only to Federal agencies.

### *E. Executive Order 12898*

Pursuant to Executive Order 12898 (59 FR 7629, February 16, 1994), entitled ''Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,'' the Agency has considered environmental justice

related issues with regard to the potential impacts of this action on the environmental and health conditions in low-income, minority, and native American communities. We have complied with this mandate. However, the requirements specifically set forth by the Congress in the Waste Isolation Pilot Plant Land Withdrawal Act (Pub. L. 102–579), which prescribes EPA's role at the WIPP, did not provide authority for EPA to examine impacts in the communities in which wastes are produced, stored, and transported, and Congress did not delegate to EPA the authority to consider the issue of alternative locations for the WIPP.

During the development of the existing provisions in 40 CFR part 194, the EPA involved minority and low-income populations early in the rulemaking process. In 1993, EPA representatives met with New Mexico residents and government officials to identify the key issues that concern them, the types of information they wanted from EPA, and the best ways to communicate with different sectors of the New Mexico public. The feedback provided by this group of citizens formed the basis for EPA's WIPP communications and consultation plan. To help citizens (including a significant Hispanic population in Carlsbad and the nearby Mescalero Indian Reservation) stay abreast of EPA's WIPP-related activities, the Agency developed many informational products and services. The EPA translated into Spanish several documents regarding WIPP, including educational materials and fact sheets describing EPA's WIPP oversight role and the radioactive waste disposal standards. The EPA also established a toll-free WIPP Information Line, recorded in both English and Spanish, providing the latest information on upcoming public meetings, publications, and other WIPP-related activities. The EPA also developed a mailing list, which includes many low-income, minority, and native American groups, to systematically provide interested parties with copies of EPA's public information documents and other materials. Even after the final rule, in 1998, EPA has continued to implement outreach services to all WIPP communities based on the needs determined during the certification.

This proposed action does not add or delete any certification criteria. The proposal would revise the public notice process for the approval of waste characterization activities at DOE waste generator sites, which produce and store wastes destined for disposal at WIPP. Affected communities and the public in general would have the opportunity to comment on EPA's proposed waste generator site approval decision. The existing provision does not offer such opportunity. The proposed revision makes the public comment period more meaningful to all communities. The Agency also intends to continue its outreach activities to make information on waste characterization activities more accessible by using the Internet, EPA information line, and fact sheets.

*F. National Technology Transfer & Advancement Act of 1995*

Section 12 of the National Technology Transfer & Advancement Act of 1995 is intended to avoid ''re-inventing the wheel.'' It aims to reduce costs to the private and public sectors by requiring federal agencies to draw upon any existing, suitable technical standards used in commerce or industry. To comply with the Act, EPA must consider and use ''voluntary consensus standards,'' if available and applicable, when implementing policies and programs, unless doing so would be ''inconsistent with applicable law or otherwise impractical.'' We have determined that this regulatory action is not subject to the requirements of National Technology Transfer & Advancement Act of 1995 as this rulemaking is not setting any technical standards.

*G. Executive Order 13045: Children's Health Protection*

This rule is not subject to Executive Order 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because it does not involve decisions on environmental health risks or safety risks that may disproportionately affect children.

*H. Executive Order 13132: Federalism*

Executive Order 13132, entitled ''Federalism'' (64 FR 43255, August 10, 1999), requires EPA to develop an accountable process to ensure ''meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications.'' ''Policies that have federalism implications'' is defined in the Executive Order to include regulations that have ''substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.''

This proposed rule does not have federalism implications. It will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132. This proposed action revises specific portions of the Compliance Criteria in 40 CFR part 194. These criteria are applicable only to both DOE (operator) and EPA (regulator) of the WIPP disposal facility. Thus, Executive Order 13132 does not apply to this rule.

In the spirit of Executive Order 13132, and consistent with EPA policy to promote communications between EPA and State and local governments, EPA specifically solicits comment on this proposed rule from State and local officials.

*I. Executive Order 13175: Consultation and Coordination with Indian Tribal Governments*

Executive Order 13175, entitled ''Consultation and Coordination with Indian Tribal Governments'' (65 FR 67249, November 9, 2000), requires EPA to develop an accountable process to ensure ''meaningful and timely input by tribal officials in the development of regulatory policies that have tribal implications.'' This proposed rule does not have tribal implications, as specified in Executive Order 13175. This proposed action revises specific portions of the Compliance Criteria in 40 CFR part 194. The Compliance Criteria are applicable only to Federal agencies. Thus, Executive Order 13175 does not apply to this rule.

In the spirit of Executive Order 13175, and consistent with EPA policy to promote consultation and coordination with Indian Tribal Governments, EPA specifically solicits comment on this proposed rule from Tribal officials.

*J. Executive Order 13211: Energy Effects*

This proposed rule is not subject to Executive Order 13211, ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355 (May 22, 2001)) because it is not a significant regulatory action under Executive Order 12866.

**List of Subjects in 40 CFR Part 194**

Environmental protection, Administrative practice and procedure, Nuclear materials, Radionuclides, Plutonium, Radiation Protection, Uranium, Transuranics, Waste Treatment and Disposal.

Dated: July 30, 2002.

**Christine Todd Whitman,**

*Administrator.*

For the reasons set out in the preamble, 40 CFR Part 194 is proposed to be amended as follows.

## PART 194—CRITERIA FOR THE CERTIFICATION AND RE-CERTIFICATION OF THE WASTE ISOLATION PILOT PLANT'S COMPLIANCE WITH THE 40 CFR PART 191 DISPOSAL REGULATIONS

1. The authority citation for Part 194 continues to read as follows:

**Authority:** Pub. L. 102–579, 106 Stat. 4777, as amended by Public Law 104–201, 110 Stat. 2422; Reorganization Plan No.3 of 1970, 35 FR 15623, Oct. 6, 1970, 5 U.S.C. app. 1; Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011–2296 and 10101–10270.

2. Section 194.2, is amended by adding definitions in alphabetical order for ''acceptable knowledge'' and ''minor alternative provision'' to read as follows:

### § 194.2 Definitions.

* * * * *

*Acceptable knowledge* means any information about the process used to generate waste, material inputs to the process, and the time period during which the waste was generated, as well as data resulting from the analysis of waste, conducted prior to or separate from the waste certification process authorized by EPA's Certification Decision, to show compliance with Condition 3 of the certification decision (Appendix A of this part).

* * * * *

*Minor alternative provision* means an alternative provision to the Compliance Criteria that clarifies a regulatory provision, or does not substantively alter the existing regulatory requirements.

* * * * *

3. Section 194.6 is revised to read as follows:

### § 194.6 Alternative provisions.

The Administrator may, by rule pursuant to 5 U.S.C. 553, substitute for any of the provisions of this part alternative provisions, or minor alternative provisions, in accordance with the following procedures:

(a) Alternative provisions may be substituted after:

(1) Alternative provisions have been proposed for public comment in the **Federal Register** together with information describing how the alternative provisions comport with the disposal regulations, the reasons why the existing provisions of this part appear inappropriate, and the costs, risks and benefits of compliance in accordance with the alternative provisions;

(2) A public comment period of at least 120 days has been completed and public hearings have been held in New Mexico;

(3) The public comments received have been fully considered; and

(4) A notice of final rulemaking is published in the **Federal Register**.

(b) Minor alternative provisions may be substituted after:

(1) The minor alternative provisions have been proposed for public comment in the **Federal Register** together with information describing how they comport with the disposal regulations, the reasons why the existing provisions of this part appear inappropriate, and the benefit of compliance in accordance with the minor alternative provision;

(2) A public comment period of at least 30 days has been completed for the minor alternative provisions and the public comments received have been fully considered;

(3) A notice of final rulemaking is published in the **Federal Register** for the minor alternative provisions.

4. Section 194.8 is amended by revising paragraph (b) to read as follows:

### § 194.8 Approval process for waste shipment from waste generator sites for disposal at the WIPP.

* * * * *

(b) *Waste Characterization Programs at Transuranic Waste Sites.* The Agency will establish compliance with Condition 3 of the certification using the following process.

(1) DOE will implement waste characterization programs and processes in accordance with § 194.24(c)(4) to confirm that the total amount of each waste component that will be emplaced in the disposal system will not exceed the upper limiting value or fall below the lower limiting value described in the introductory text of paragraph (c) of § 194.24. Waste characterization processes will include the collection and use of acceptable knowledge; destructive and/or nondestructive techniques for identifying and measuring waste components; and the validation, control, and transmittal to the WIPP Waste Information System database of waste characterization data, in accordance with § 194.24(c)(4).

(2) The Agency will verify the compliance of waste characterization programs and processes identified in paragraph (b)(1) of this section using the following process.

(i) DOE will notify EPA by letter that a transuranic waste site is prepared to ship waste to the WIPP and has established adequate waste characterization processes and programs. DOE also will provide the relevant waste characterization program plans and documentation. EPA may request additional information from DOE.

(ii) EPA will conduct a baseline inspection at the site to verify that adequate waste characterization program plans and technical procedures have been established, and that those plans and procedures are effectively implemented. The inspection will include a demonstration or test by the site of the waste characterization processes identified in paragraph (b)(1) of this section. If an inspection does not lead to approval, we will a send an inspection report to DOE identifying deficiencies and place the report in the public docket described in § 194.67. More than one inspection may be necessary to resolve compliance issues.

(iii) The Agency will announce in the **Federal Register** a proposed Baseline Compliance Decision to accept the site's compliance with § 194.24(c)(4). In the notice, we will solicit public comment on the relevant inspection report(s) and any supporting materials, which will be placed in the public docket described in § 194.67. The proposal will describe any limitations on approved waste streams or waste characterization processes and identify (through tier designations) what changes to the approved waste characterization processes must be reported to and approved by EPA before they can be implemented.

(iv) Our written decision regarding compliance with the requirements for waste characterization programs and processes described in paragraph (b)(1) of this section will be conveyed in a letter from the Administrator's authorized representative to DOE. EPA will not issue a compliance decision until after the end of the public comment period described in paragraph (b)(2)(iii) of this section. EPA's compliance decision will respond to significant and timely received comments. A copy of our compliance decision will be placed in the public docket described in § 194.67. DOE will comply with any requirements identified in the compliance decision and the accompanying inspection report.

(3) Subsequent to any positive determination of compliance as described in paragraph (b)(2)(iv) of this section, the Agency intends to conduct inspections, in accordance with § 194.24(h), to confirm the continued compliance of approved waste characterization programs and processes

at transuranic waste sites. EPA will make the results of these inspections available to the public in the dockets described in § 194.67.

(i) If the Agency determines, at a subsequent inspection of an approved transuranic waste site, that waste characterization programs or processes are not adequately established or implemented, then we may suspend shipments and disposal of affected and potentially affected waste streams, or take other action in accordance with § 194.4(b)(1) and (2), until we determine that the deficiencies have been adequately resolved.

(ii) [Reserved]

5. Section 194.12 is revised to read as follows:

**§ 194.12 Submission of compliance applications.**

Unless otherwise specified by the Administrator or the Administrator's authorized representative, 5 copies of any compliance application(s), any accompanying materials, and any amendments thereto shall be submitted in a printed form to the Administrator's authorized representative. In addition, DOE shall submit 10 copies of the complete application in alternative format (*e.g.*, compact disk) or other approved format, as specified by the Administrator's authorized representative.

6. Section 194.13 is revised to read as follows:

**§ 194.13 Submission of reference materials.**

Information may be included by reference into compliance applications(s), provided that the references are clear specific and that unless, otherwise specified by the Administrator or the Administrator's authorized representative, 5 copies of reference information are submitted to the Administrator's authorized representative. Reference materials that are widely available in standard text books or reference books need not to be submitted. Whenever possible, DOE shall submit 10 copies of reference materials in alternative format (e.g., compact disk) or other approved format, as specified by the Administrator's authorized representative.

7. Section 194.24 is amended by revising paragraph (c)(3) to read as follows:

**§ 194.24 Waste characterization.**

* * * * *

(c) * * * (3) Provide information that demonstrates that the use of acceptable knowledge to quantify components in waste for disposal conforms with the quality assurance requirements of § 194.22.

* * * * *

[FR Doc. 02–19796 Filed 8–8–02; 8:45 am]

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Federal Register

Friday,
August 9, 2002

# Part III

# Department of the Interior

## Fish and Wildlife Service

## 50 CFR Part 17

## Endangered and Threatened Wildlife and Plants; Listing the Gila Chub as Endangered With Critical Habitat; Proposed Rule

**DEPARTMENT OF THE INTERIOR**

**Fish and Wildlife Service**

**50 CFR Part 17**

**RIN 1018–AG16**

## Endangered and Threatened Wildlife and Plants; Listing the Gila Chub as Endangered With Critical Habitat

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Proposed rule.

**SUMMARY:** We, the U.S. Fish and Wildlife Service propose endangered status pursuant to the Endangered Species Act of 1973, as amended (Act), for a fish, Gila chub (*Gila intermedia*) historically found throughout the Gila River basin in southern Arizona, southwestern New Mexico, and northeastern Sonora, Mexico. Gila chub have been extirpated or reduced in numbers and distribution in the majority of its historical range (Minckley 1973, Weedman *et al.* 1996). Where it is still present, populations are often small, scattered, and at risk from known and potential threats and from random events. Threats include predation by and competition with nonnative organisms, including fish in the family Centrarchidae (*Micropterus* spp., *Lepomis* spp.), other fish species, bullfrogs (*Rana catesbeiana*), and crayfish (*Orconectes virilis*); disease; and habitat alteration, destruction, and fragmentation resulting from water diversions, dredging, recreation, roads, livestock grazing, changes in the natural flow pattern, mining, degraded water quality (including contaminants from mining activities and excessive sedimentation), and groundwater pumping. This proposed rule, if made final and in accordance with the Act, would implement Federal protection for this species, and provide funding for development and implementation of recovery actions. We seek data and comments from the public on this proposal.

**DATES:** Comments from all interested parties must be received by October 8, 2002. Public hearing requests must be received by September 23, 2002.

**ADDRESSES:** Comments and materials should be sent to the Field Supervisor, Arizona Ecological Services Field Office, U.S. Fish and Wildlife Service, 2321 West Royal Palm Road, Suite 103, Phoenix, AZ 85021–4951. Comments and materials received will be available for public inspection, by appointment, during normal business hours at the above address.

**FOR FURTHER INFORMATION CONTACT:** Ann Watson, Fisheries Biologist, Arizona Ecological Services Field Office (see **ADDRESSES**); telephone (520) 670–4618, facsimile (520) 670–4638.

**SUPPLEMENTARY INFORMATION:**

### Background

The Gila chub is a member of the minnow family Cyprinidae. The Gila chub is small-finned, deep-bodied, chubby (chunky), and darkly colored (sometimes lighter on belly; diffuse lateral band(s) are rarely present). Adult males average about 150 millimeters (mm) (6 inches (in)) in total length; females can exceed 200 mm (8 in). Scales are coarse, large, thick, and broadly overlapped, and radiate out from the base. Lateral-line scales usually number greater than 61 and less than 80. There are usually eight (rarely seven or nine) dorsal and anal fin-rays; pelvic fin-rays typically number eight, but sometimes nine.

Gila chub commonly inhabit pools in smaller streams, springs, and cienegas (a desert wetland), and can survive in small artificial impoundments (Miller 1946; Minckley 1973; Rinne 1975). Gila chub are highly secretive, preferring quiet, deeper waters, especially pools, or remaining near cover including terrestrial vegetation, boulders, and fallen logs (Rinne and Minckley 1991).

Baird and Girard (1854:28) published a description of the Gila chub, as *Gila gibbosa*, based on the type specimen collected in 1851 from the Santa Cruz River. For nomenclature reasons, the name was changed by Girard to *Tigoma intermedia* in 1856, working with specimens from the San Pedro River. Despite that and other name changes, the Gila chub has been recognized as a distinct species since the 1850's, with the exception of a short period in the mid-1900's when it was placed as a subspecies of *Gila robusta* (Miller 1945). For the past 30 years, *Gila intermedia* has been recognized as a full monotypic species, separate from the polytypic species *Gila robusta*, both currently accepted as valid (Robins 1991, Mayden et al. 1992). Problematic populations nonetheless exist, variously assigned to one or the other taxon and leading to continued confusion. Minckley (2000) describes a new subspecies within the Gila River Basin, *Gila nigra*. It is a hybrid of *Gila robusta* and *Gila intermedia*. Its range is similar to that of *Gila intermedia* and is another headwater type chub, whereas *Gila robusta* is found in the mainstem of the major rivers within the Gila River Basin. *Gila intermedia* is the only species being addressed in this proposed rule.

Historically, Gila chub have been recorded in approximately 30 rivers, streams, and spring-fed tributaries throughout the Gila River basin in southwestern New Mexico, central and southeastern Arizona, and northern Sonora, Mexico (Miller and Lowe 1967; Rinne and Minckley 1970; Minckley 1973; Rinne 1976; DeMarais 1986; Bestgen and Propst 1989). Several populations may have originally had basin-wide distributions (*e.g.*, Babocomari River and Santa Cruz River).

Riparian and aquatic communities across the southwest have been degraded or destroyed by human activities (Hastings 1959; Hastings and Turner 1965; Henderickson and Minckley 1984). Humans have affected southwestern riparian systems over a period of several thousand years. Before the 1800's, indigenous people and missionaries used southern Arizona cienegas and riparian areas mostly for subsistence enterprises, including woodcutting, agriculture (including livestock grazing), and food and fiber harvesting.

Historically, beaver also used riparian areas almost anywhere perennial water and appropriate vegetation could be found. The activities of beaver help to promote Gila chub habitat by inhibiting erosion and downcutting of stream channels (Parker *et al.* 1985) and increasing ponded water behind the dams. Beaver were extirpated from a majority of their range by the late 1800's and are still not abundant or are extirpated from other areas where they were common (Hoffmeister 1986). For example, beaver were extirpated from the Santa Cruz and San Pedro Rivers in Arizona. Loss of this large mammal and the dams they constructed may have resulted in reaches of some streams and rivers being rendered unsuitable as habitat for the Gila chub (Hoffmeister 1986). Recently, the Bureau of Land Management (BLM) reestablishd beaver into the San Pedro River to help restore the riparian community for future native fish and wildlife habitat.

There was a significant human population increase in southern Arizona and northern Sonora, Mexico, in the early to middle 1800's (Tellman *et al.* 1997). New immigrants substantially increased subsistence and commercial livestock production and agriculture. By the late 1800's, many southern Arizona watersheds were in poor condition primarily due to uncontrolled livestock grazing, mining, hay harvesting, timber harvesting, and other management practices, such as fire suppression (Bahre 1991; Humphrey 1985; Martin 1975). The watershed degradation

caused by these management practices led to widespread erosion and channel entrenchment when above-average rainfall and flooding occurred in the late 1800's (Bahre 1991; Bryan 1925; Dobyns 1981; Hastings and Turner 1980; Hendrickson and Minckley 1984; Martin 1975; Sheridan 1986; Webb and Betancourt 1992). These events led to long-term stream, cienega, and riparian habitat degradation throughout southern Arizona and northern Mexico. Physical evidence of cienega and other riparian area changes can be found in the black organic soils of the drainage cut banks in the San Rafael Valley (Hendrickson and Minckley 1984), San Pedro River (Hereford 1992), Black Draw, San Simon Valley, and elsewhere. Although these changes took place nearly a century ago, the ecosystem has not fully recovered, and in some areas may never recover.

Approximately 85 to 90 percent of the Gila chub's habitat has been degraded or destroyed, and much of it is unrecoverable. Weedman (1996) determined that 23 populations of Gila chub remain in the United States; with all but one considered small, isolated, and threatened. Not included in the 23 populations are the two populations in Larry Creek and Lousy Canyon, which were stocked with Gila chub in 1995 in an effort to reestablish them into suitable habitat. Also, the newly found population (in April 2000) occurring in Mineral Creek was not known when Weedman's survey report was prepared. For the 23 populations Weedman (1996) categorized the status of the Gila chub populations into one of four categories: (1) Stable-secure—Gila chubs are common, data over the last 5 to 10 years show a stable reproducing population, no impacts from nonnatives (predatory or competitive species), no current or future land use threats were identified; (2) Stable-threatened—Gila chub are common to uncommon, potential threats by nonnatives exist, some habitat-altering land and water uses were identified, or lack of recruitment was detected within the population; (3) Unstable-threatened—Gila chub are rare, have limited distribution, predatory or competitive nonnatives are present, or the habitat is modified or threatened; (4) Extirpated—Gila chub are no longer found within their range. These four categories are reflected in the following discussion of the current status of the Gila chub populations.

In New Mexico, Gila chub formerly inhabited the Gila River basin in Apache Creek, Catron County; Duck Creek, Grant County; and San Simon Cienega, Hidalgo County (Rinne 1969, 1976, Hubbard *et al.* 1979, Bestgen and Propst 1989, and Sublette *et al.* 1990). All of these populations have been extirpated (Bestgen and Propst 1989). Gila chub historically inhabited cienegas of the upper San Simon River (Mckinkley 1969; Rinne 1969), but are now extirpated. The San Simon River is a Gila River tributary that originates in Hidalgo County, New Mexico, and flows 145 km (90 mi) through Cochise and Graham Counties, Arizona, to the Gila River. Gila chub were collected in the San Francisco River in 1872, but the exact location remains unknown (Sublette *et al.* 1990). An observation of a Gila chub in Turkey Creek in the upper Gila River Basin in New Mexico was made in 2001 (per. comm. Telles 2001).

In Arizona, Gila chub are known to have occupied portions of the Salt, Verde, Santa Cruz, San Pedro, San Carlos, San Simon, San Francisco, and Agua Fria drainages and smaller tributaries of the mainstem Gila River. Small remnant populations remain in most of these drainages with the exception of the Salt and San Simon Rivers, where all known populations have been extirpated.

In the Verde River basin, Walker Creek, Williamson Valley Wash, and Spring Creek populations (Yavapai County) are considered as stable-threatened populations. The Santa Cruz River has three tributaries with extant populations of Gila chub: Sabino Canyon (Pima County) and Sheehy Spring (Santa Cruz County) have unstable-threatened populations, and Cienega Creek (Pima and Santa Cruz Counties) has the only known stable-secure population of Gila chub in existence. The San Pedro River Basin has three extant, stable-threatened populations in Redfield Canyon (Graham and Pima Counties), O'Donnell Canyon (Santa Cruz County), and Bass Canyon (Graham and Cochise Counties). The status of the Gila chub in the Babocomari River (Santa Cruz and Cochise Counties) is unknown. The San Carlos River and the Blue River (Gila and Graham Counties) are on the San Carlos Apache Indian Reservation and are tributaries to the Gila River. We are aware that Gila chub are extant on the Reservation but we do not have information to document the status of Gila chub in those drainages.

The San Francisco River has two tributaries with extant populations, Harden Cienega Creek and Dix Creek in Greenlee County. The status of these two populations is unknown, but both are thought to be small. The Agua Fria River has two tributaries with stable-threatened populations, Silver and Sycamore creeks (Yavapai County), as well as two unstable-threatened populations in Little Sycamore Creek and Indian Creek (Yavapai County). In addition, there are two populations in the Agua Fria River, Larry Creek, and Lousy Canyon (Yavapai County), for which the population status is unknown. Two tributaries of the Gila River in Arizona have extant populations of Gila chub. Eagle Creek (Graham and Greenlee Counties) has an unstable-threatened population and Bonita Creek (Graham County) has a stable-threatened population.

In Mexico, Gila chub historically occupied significant portions of the Santa Cruz and San Pedro river basins. The current known distribution of Gila chub in Mexico has been reduced to two small spring areas, Cienega los Fresnos and Cienega la Cienegita, adjacent to the Arroyo los Fresnos (tributary of the San Pedro River), within 2 km (1.2 mi) of the Arizona-Mexico border (Varela-Romero *et al.* 1992). No Gila chub remain in the Mexican portion of the Santa Cruz River basin (Weedman *et al.* 1996).

Reestablishment of Gila chub has been attempted in three Arizona sites; two sites remain extant and recruitment is good (per. comm. BLM 2002). Lousy Canyon and Larry Creek (Yavapai County) are tributaries to the Agua Fria River and were stocked with 200 Gila chub from Silver Creek on July 6, 1995. The third site, Gardner Canyon (Cochise County), was stocked with 150 Gila chub from Turkey Creek (Santa Cruz County) in July, 1988. In May, 1995 no Gila chub nor any other fish were captured during sampling surveys in Gardner Canyon.

**Previous Federal Actions**

On December 30, 1982, a Notice of Review of vertebrate candidate species was published in the **Federal Register** which included the Gila chub in category 1 (47 FR 58454). Category 1 at that time comprised taxa for which we had substantial information to support a proposal to list the species as endangered or threatened. In response to our letter to interested parties seeking information preparatory to a proposed listing of the Gila chub, we received a letter on March 31, 1983, from the Arizona Game and Fish Department, informing us that there was a substantial amount of information still needed on the Gila chub and recommending that the Gila chub be moved to a category 2 species. Category 2 comprised taxa for which information in our possession indicated that proposing to list as endangered or threatened was possibly appropriate, but for which conclusive data on biological vulnerability and threat was not available to support a proposed rule. On September 18, 1985,

we published a Notice of Review in the **Federal Register** (50 FR 37960) which placed the Gila chub as a category 2 species. It remained as a category 2 candidate in the Notices of Review published on January 6, 1989 (50 FR 556), and November 21, 1991, (50 FR 58815).

Beginning with our February 28, 1996, candidate Notice of Review (61 FR 7596), we discontinued the designation of multiple categories of candidates, and only those taxa meeting the definition for former category 1 candidates are now considered candidates for listing purposes. The Gila chub was approved as a candidate on August 17, 1997, and was included in the candidate Notice of Review published on September 19, 1997 (62 FR 49402). The Gila chub was also included in the following candidate Notices of Review published on October 25, 1999 (64 FR 57534), October 30, 2001 (66 FR 54808), and June 13, 2002 (67 FR 40658).

We received a petition dated June 4, 1998, to list the Gila chub as endangered and to designate critical habitat for the species from the Southwest Center for Biodiversity, on June 10, 1998. In a letter dated July 17, 1998, we responded to the petitioner that, pursuant to our July, 1996, Petition Management Guidance, candidate species are considered to be under petition and covered by a ''warranted but precluded'' finding under section 4(b)(3)(B)(iii) of the Act. Because listing of candidates is, by definition, already warranted, petitions on candidates are redundant. As a result, 90-day findings are not prepared for petitioned candidate species.

On August 25, 1999, the Center for Biological Diversity and Southwest Center for Biological Diversity filed a complaint against the Department of the Interior with regard to the Service not making petition findings for the Gila chub and the Chiricahua leopard frog. On June 20, 2001, the United States Court of Appeals for the Ninth Circuit held that the 1999 Candidate Notice of Review (CNOR) (64 FR 57534 (Oct. 25, 1999)) did not constitute valid warranted but precluded 12-month petition findings for the Gila chub and Chiricahua leopard frog. *Center for Biological Diversity* v. *Norton,* 2001 U.S. App. LEXIS 13736 (9th Cir. 2001). In response to the Ninth Circuit decision we have revised the October 30, 2001 (66 FR 54808), and June 13, 2002 (67 FR 40658), Candidate Notices of Review to address the Court's concerns.

On August 29, 2001, we announced a settlement in subsequent litigation by the Center for Biological Diversity and others which further addresses the Ninth Circuit Court of Appeals rulings as applied to the Gila chub, as well as a number of other pending issues. Terms of the agreement require that we submit to the **Federal Register**, on or by July 31, 2002, a 12-month finding and accompanying proposed listing rule and proposed critical habitat designation for the Gila chub. This agreement was entered by the court on October 2, 2001, (*Center for Biological Diversity, et al.* v. *Norton,* Civ. No. 01–2063 (JR) (D.D.C.)). This proposed rule constitutes our 12-month finding for the petition to list the Gila chub.

**Peer Review**

In accordance with the policy promulgated July 1, 1994 (FR 34270), the expert opinions of three appropriate and independent specialists regarding this proposed rule will be solicited. The purpose of such review is to ensure listing decisions are based on scientifically sound data, assumptions, and analyses, including input of appropriate experts and specialists. Peer reviewers will be mailed copies of the proposed rule to list the Gila chub as an endangered species and to designate critical habitat following publication of this rule in the **Federal Register**. Peer reviewers will be invited to comment during the public comment period upon the specific assumptions and conclusions regarding the proposed listing. These comments will be considered in the preparation of the final listing decision.

**Summary of Factors Affecting the Species**

Section 4 of the Act and regulations (50 CFR part 424) promulgated to implement the listing provisions of the Act set forth the procedures for adding species to the Federal lists. A species may be determined to be an endangered or threatened species due to one or more of the five factors described in Section 4(a)(1). These factors and their application to the Gila chub (*Gila intermedia*) are as follows:

*A. The Present or Threatened Destruction, Modification, or Curtailment of Its Habitat or Range*

Within the historical range of the Gila chub, much of the wetland habitat has been degraded, and loss of this habitat continues today. Human activities such as groundwater pumping, surface water diversions, impoundments, channelization (straightening of the natural watercourse, typically for flood control purposes), improper livestock grazing, prescribed burning, agriculture, mining, road building, nonnative species introductions, urbanization, and recreation all contribute to riparian and cienega habitat loss and degradation in southern Arizona and in New Mexico. The local and regional effects of these activities are expected to increase with increasing human population. The current population numbers for Tucson, Arizona, located in Pima County are 466,000 for the City and 814,600 for the County and are expected to double by the year 2054 (Tucson Chamber of Commerce 1999).

Growing water demands threaten the existence of southern Arizona perennial surface water in the Gila Basin, as well as the species that depend on it. Groundwater pumping has been a major factor in loss of surface water in springs, streams, and cienegas of Arizona, most notably in the Santa Cruz River Basin (Tellman *et al.* 1997). Groundwater levels in the Tucson area have dropped by as much as 61 meters (200 feet) (Arizona Water Research Center 1999). The Santa Cruz River and its major tributaries in the Tucson area now flow only in response to flood events (Webb and Betancourt 1992). In addition to historical losses, groundwater pumping poses a threat to surface flows in extant Gila chub habitats in Cienega Creek, Williamson Wash, and Eagle Creek. Groundwater pumping in the upper Cienega Creek drainage supports burgeoning ranchette development near the town of Sonoita. Williamson Wash is located in one of the fastest growing urban/suburban areas in Arizona. The nearby towns of Prescott and Chino Valley are growing at a rate of 3 percent per year (Prescott Chamber of Commerce 1999), and this growth is mostly based on groundwater pumping. Groundwater withdrawals in Eagle Creek are primarily for water supply for a large Phelps-Dodge open-pit copper mine at Morenci.

The increased population growth in Sierra Vista will likely stimulate borderland development, with a concurrent water demand increase that could accelerate riparian area destruction and modification and increase threats to plants and animals dependent on surface water, including the Gila chub. The San Pedro River in southern Arizona historically supported at least 13 native fish species (Jackson *et al.* 1987) but now supports only 2 (Stefferud and Stefferud 1998). Gila chub historically occupied the San Pedro River. One of the known factors that have contributed to the loss of Gila chub in the San Pedro River basin is the pumping of groundwater for agriculture and municipal uses, and sewage effluent from the community of Sierra Vista and Fort Huachucha Military Reservation. Groundwater pumping is expected to

increase with human population growth. In anticipation of population growth, Fort Huachuca Military Reservation has filed a claim for 10,522 acre-feet (A–F) per year of tributary surface water from the Gila River adjudication, more than three times the estimated 3,000 A–F currently used (Arizona Department of Water Resources 1991).

In the 1930's the city of Safford, Arizona, was granted rights-of-way to construct, operate, and maintain a water collection and distribution system for municipal use that allows them to divert a water quantity of 4000 cubic feet per second from Bonita Creek located within the Gila Box National Riparian Conservation Area. This is a large portion of the streamflow which has resulted in adverse impacts to the riparian and aquatic areas important to Gila chub.

Sections of many Gila Basin rivers and streams have been and continue to be channelized for flood control, which disrupts natural channel dynamics and promotes the loss of riparian plant communities. Channelization changes the gradient of the stream above and below the channel. It increases streamflow in the channelized section which results in increased rates of erosion of the stream and its tributaries, accompanied by gradual deposits of sediment in downstream reaches that may increase the risk of flooding (Emerson 1971; Simpson *et al.* 1982). Channelization will continue to contribute to riparian and aquatic habitat decline. Irrigation directly from stream and cienega waters diverts water away from any existing fish habitat. Fish can be carried into irrigation ditches, where they die following dessication (drying). Irrigation dams prevent movement of fish between populations, resulting in genetic isolation within species. Larger dams may also prevent movement of fish between populations and dramatically alter the flow regime of streams through the impoundment of water behind the dam and by regulating flows below the dam (Ligon *et al.* 1995).

Livestock grazing can have adverse impacts on Gila chub habitat. Poor livestock-grazing management is widely believed to have been one of the most significant factors contributing to regional stream channel downcutting in the late 1800's. Livestock grazing can destabilize stream channels and disturb riparian ecosystem functions (Tellman *et al.* 1997). Effects to Gila chub from poor livestock grazing come from increased erosion/sedimentation in stream channels, elimination of undercut banks that provide cover, alteration of channel structure and composition of the stream bottom, loss of wetland and riparian vegetation, reduced backwater pools, decreased water quality, lowered base flows (i.e. minimum stream flow) and higher peak flows (Ohmart 1996; Hendrickson and Minckley 1984). As the water table lowers, a resultant loss of riparian vegetation may occur which allows for upland shrub species, which require less water, to invade. Upland shrub species do not have the characteristics to provide for cover or the root system to stabilize the soil and catch sediment in order to stabilize the stream bank. Cienega Creek in the Santa Cruz River basin has the only stable-secure population of Gila chub. The BLM's Empire-Cienega Resource Conservation Area (RCA) encompasses most of the portion of Cienega Creek in which Gila chub occur. Although the RCA is managed to preserve aquatic, riparian, and associated wildlife values, livestock grazing still occurs year-round on a rotational grazing system, and thus this area is still subject to a certain degree of threat caused by livestock grazing.

Mining activities were more widespread historically and may have constituted a greater threat in the past; however, the continued mining of sand and gravel, iron, gold, copper, or other materials remains a potential threat to the habitat of Gila chub. The recently proposed Gentry Iron Mine may be located within 1.6 km (1.0 mi) of two Gila chub populations on the Tonto National Forest. The resulting effects of proposed mining activities, like the Gentry Iron Mine, on these populations are uncertain at this time, but may include changes in water quality and flow rates due to dewatering of nearby streams needed for mining operations. Sand and gravel mining removes riparian vegetation and destablizes streambanks which results in habitat loss for the Gila chub (Brown 1998). Sand and gravel mining along the Santa Cruz, San Pedro, and Babocomari Rivers has had serious impacts in the past and continues, although at a reduced scale.

Roads and recreation have adversely affected Gila chub habitat. Increased sediment is the primary problem related to roads. One source of sediment entering stream systems may result from off-road vehicles when they directly disturb and crush vegetation to the point that bare soil is exposed. Roads in forest and rangeland areas may also contribute substantially to watershed problems through direct soil disturbance during road construction. Established roads may also result in an increase of sediments entering stream systems through storm run-off.

Roads in Bonita Creek traverse this perennial streambed more than 30 times over its length (BLM 1998). Use of the existing road system creates local disturbance of normal stream function through displacement and injury of fish and macroinvertebrates, increased turbidity, and seasonal destruction of fish eggs and larvae at road crossings. Roads within the floodplain of Bonita Creek have not been engineered for long-term stability. These roads have caused erosion of stream banks and terraces in some areas. This erosion has negatively affected the condition of aquatic and associated riparian communities that support Gila chub (BLM 1998).

Another example of problems caused by roads is found in the BLM's Gila Box Riparian Natural Conservation Area (RNCA) located 12.8 km (8 mi) northeast of Safford, Arizona. The RNCA supports aquatic habitats of the Gila River, San Francisco River, Eagle Creek, Bonita Creek, and several small springs (BLM 1998). This habitat is critical to the six remaining native fish; longfin dace (*Agosia chrysogaster*), Sonora sucker (*Catastomus insignis*), Gila chub (*Gila intermedia*), desert sucker (*Catastomus Pantosteus clarki*), speckled dace (*Rhinichthys osculus*), and the reestablished razorback sucker (*Xyrauchen texanus*). The Gila River is traversed by light-weight sandrails (a type of off-road vehicle) which tend to remain above the waterline, except to cross. This activity is highest during the dry years and may be curtailed by high waters during wet years. Fish can be injured or displaced, and eggs from spawning areas can be crushed by this activity (BLM 1998).

Concentrated recreational activity in the areas along Bonita Creek, such as wading, swimming, and walking up and down the creek, displace fishes such as the Gila chub and the razorback sucker, a federally endangered fish, and alter channel morphology. Recreational use often results in crushing and trampling of vegetation on banks and terraces, resulting in adverse impacts to the Gila chub and its habitat (BLM 1998). Recreation is heavy along Sabino Canyon and affects streambanks and channel morphology; however, the rocky nature of the area may help to minimize adverse effects. Cienega Creek's recreational use is increasing and the present localized impacts, such as off-road-vehicle use, are expanding.

Human activities in the watershed have had substantial adverse impacts to Gila chub habitat. Watershed alteration is a cumulative result of many human uses, including timber harvest, livestock grazing, roads, recreation,

channelization, and residential construction. In Eagle Creek, the cumulative effects of watershed and stream-channel alteration have resulted in reduction of base flows, and some areas of the stream no longer flow during portions of the year (Minckley *et al.* 1979). In Williamson Valley Wash, human uses (e.g., recreational use of off-road vehicles) on the highly erodible upper watershed have resulted in increased erosion and high loads of sediment. In 1993, flooding in Williamson Valley Wash carried enough sediment that the isolated pool where Gila chub were previously collected became completely filled with sand and gravel (Weedman *et al.* 1996).

*B. Overutilization for Commercial, Recreational, Scientific or Educational Purposes*

Collection of, or fishing for, Gila chub in Arizona is prohibited by Arizona Game and Fish Commission Order 41, except where such collection is authorized by special permit. Collection of Gila chub is also prohibited in Mexico except by special permit. The collection of Gila chub is prohibited in the State of New Mexico except by special scientific permit (Propst 1999). A few individual fish may be caught incidentally by recreational anglers. However, most chub populations do not occur in popular fishing areas. No commercial uses exist for Gila chub. A limited amount of scientific collecting occurs, but does not pose a threat to Gila chub since it is regulated by the States.

*C. Disease and Predation*

The introduction and spread of nonnative species has been identified as one of the major factors in the continuing decline of native fishes throughout North America and particularly in the southwest (Miller 1961; Lachner *et al.* 1970; Ono *et al.* 1983; Carlson and Muth 1989; Cohen and Carlton 1995; Fuller *et al.* 1999). Miller (1989) concluded that introduced nonnatives were a causal factor in 68 percent of the fish extinctions in North America in the last 100 years. For 70 percent of those fish still extant, but considered to be endangered or threatened, introduced nonnative species are a primary cause of the decline (Aquatic Nuisance Species Task Force 1994; Lassuy 1995). In Arizona, release or dispersal of new nonnative aquatic organisms is a continuing phenomenon (Rosen *et al.* 1995).

Gila chub evolved in a fish community with low species diversity and where few predators existed, and as a result developed few or no mechanisms to deal with predation (Carlson and Muth 1989). In its habitats, the Gila chub was probably the most predatory fish and experienced little or no competition. The introduction of more aggressive and competitive nonnative fish led to significant losses of Gila chub.

In the Gila River basin, introduction of nonnatives is considered a major factor in the decline of all native fish species (Minckley 1985, Williams *et al.* 1985; Minckley and Deacon 1991). Aquatic and semi-aquatic mammals, reptiles, amphibians, crustaceans, molluscs (snails and clams), insects, zoo- and phytoplankton, parasites, disease organisms, algae, and aquatic and riparian vascular plants outside of their historical range have all been documented to adversely affect aquatic ecosystems (McKnight 1993; Cohen and Carlton 1995; USGS 1998). As described below, the nonnative fishes have been demonstrated to pose a significant threat to Gila River basin native fishes, including Gila chub (Minckley 1985, Williams *et al.* 1985; Minckley and Deacon 1991).

The aquatic ecosystem of the central Gila River basin has relatively small streams with warm water and low gradients, and many of the native aquatic species are small. Therefore, much of the threat to native fishes comes from small nonnative fish species, as has also been noted for southern Nevada aquatic ecosystems (Deacon *et al.* 1964). Examples of this are the impacts of mosquitofish and red shiner which may compete with or predate upon native fish in the Gila River basin (Meffe 1985; Douglas *et al.* 1994). In Aravaipa Creek the red shiner has moved upstream and is competing with the native fish.

Nonnative fishes known from within historical range of Gila chub in the Gila River basin include channel catfish (*Ictalurus punctatus*), flathead catfish (*Pylodictis olivaris*), red shiner (*Cyprinella lutrensis*), fathead minnow (*Pimephales promelas*), green sunfish (*Lepomis cyanellus*), largemouth bass (*Micropterus salmoides*), smallmouth bass (*Micropterus dolomieui*), rainbow trout (*Oncorynchus mykiss*), western mosquitofish (*Gambusia affinis*), carp (*Cyprinus carpo*) (USFWS 1983, Young and Bettaso 1994), warmouth (*Lepomis gulosus*), bluegill (*Lepomis macrochiris*), yellow bullhead (*Ameiurus natalis*), black bullhead (*Ameiurus melas*), and goldfish (*Carassius auratus*) (Arizona Game and Fish Department [AGFD] Native Fish Database [NFDB]). Additionally, as discussed below, parasites introduced incidentally with nonnative species may jeopardize Gila chub populations (USFWS 1983).

Dudley (1995) correlated green sunfish presence with Gila chub declines in Sabino Creek, Arizona. This included predation by small green sunfish on young-of-the-year Gila chub. Minckley *et al.* (1977) suggested that predation by green sunfish may explain the absence of Gila chub from the upper Santa Cruz River.

Western mosquitofish were introduced outside of their native ranges to help control mosquitos. Because of their aggressive and predatory behavior, mosquitofish may negatively affect populations of small fish through predation and competition (Myers 1967; Courtenay and Meffe 1989). Introduced mosquitofish have been particularly destructive in the American west where they have contributed to the elimination or decline of populations of federally threatened and endangered species such as the Gila topminnow (*Poeciliopsis occidentalis occidentalis*) (Courtenay and Meffe 1989). They often attack, shred fins, and sometimes kill other fish species. Mosquitofish are known to prey on eggs, larvae, and juveniles of various fishes, including the Gila chub.

Largemouth bass are another nonnative species intentionally introduced for the purpose of sportfishing. Introduced bass usually affect populations of small native fishes through predation, sometimes resulting in the decline or extinction of such species (Minckley 1973). Species that have suffered such effects include populations of Gila chub and Monkey spring pupfish (*Cyprinodon* sp.) (Minckley 1973).

Asian tapeworm (*Bothriocephalus acheilognathi*) was introduced into the United States via imported grass carp in the early 1970's. It has since become well established in the southeast and mid-south and has been recently found in the southwest. The definitive host in the life cycle of *Bothriocephalus acheilognathi* is cyprinid fishes and therefore, is a potential threat to the Gila chub as well as to the other native fishes in Arizona. The Asian tapeworm affects fish health in several ways. Two direct impacts are by impeding the digestion of food as it passes through the intestinal track and when large enough numbers of worms feed off of the fish causing emaciation and starvation. An indirect effect is that weakened fish are more susceptible to infection by other pathogens. The Asian tapeworm is present in the Colorado River basin in the Virgin River (Heckman *et al.* 1986) and the Little Colorado River (Clarkson *et al.* 1997). It has recently invaded the Gila River basin and was found during

the Central Arizona Project (CAP) fall, 1998 monitoring in the Gila River and Ashurst-Hayden Dam. This parasite can infest many species of fish and is carried into new areas along with nonnative fishes or native fishes from contaminated areas.

The parasite (*Ichthyophthirius multifiliis*) (''Ich'') is a potential threat to Gila chub. ''Ich'' disease has occurred in some Arizona streams, probably favored by high temperatures and crowding as a result of drought (Mpoame 1981). The deep, quiet waters in which this host usually occurs (Minckley 1973) seem stable enough that ''Ich'' cysts do not wash away. This parasite was observed being transmitted on the Sonoran sucker, although it doesn't appear to be host specific and could be transmitted by other species. This protozoan becomes embedded under the skin and within the gill tissues of infected fish. When the ''Ich'' matures it leaves the fish, causing fluid loss, physiological stress, and sites that are susceptible to infection by other pathogens. If the ''Ich'' are present in large enough numbers they can also impact respiration because of damaged gill tissue.

Anchor worm (*Lernaea cyprinacea*) (Copepoda), an external parasite, is unusual in that it has little host specificity, infecting a wide range of fishes and amphibians. Additionally, infection has been known to kill large numbers of fish due to tissue damage and secondary infection of the attachment site (Hoffnagle and Cole 1997). Presence of this parasite in the Gila River basin is a threat to the Gila chub and other native fish. In July 1992, the BLM found Gila chub that were heavily parasitized by *Lernaea cyprinacea* in Bonita Creek. These fish were likely more susceptible to parasites due to physiological stress as a result of degraded habitat and decreased water flows due to water withdrawals.

Aquatic nonnative species are introduced and spread into new areas through a variety of mechanisms, both intentional and accidental, and authorized and unauthorized. Mechanisms for nonnative dispersal in the southwestern United States include interbasin water transfer, sport stocking, aquaculture, aquarium releases, bait-bucket release (release of fish used as bait by anglers), and biological control.

Gila chub collected in 1995 in the streams on or adjacent to the San Carlos Reservation have been recorded with spinal deformities and various skin lesions, probably due to the presence of contaminants in the water (USFWS 1998).

When the health of fish is compromised beyond their immune systems ability to cope with the stressors impacting it, they become vulnerable to other opportunistic pathogens that are ubiquitous in aquatic systems. These pathogens can include viruses, bacteria, fungi, and internal and external parasites.

*D. The Inadequacy of Existing Regulatory Mechanisms*

Existing regulatory mechanisms allow the continuing decline of Gila chub. Gila chub are threatened by introductions of nonnative fish. Fish introductions are illegal unless approved by the respective States. However, enforcement is difficult. Many nonnative fish populations are established through illegal introductions. The use of live bait is permitted in Arizona for nine species of fish, crayfish, and waterdogs (tiger salamanders (*Ambystoma pigrimum*)), all of which are nonnative to the State of Arizona and several of which are known to have serious adverse effects on native species. The portion of the state in which use of live bait is permitted is limited and changes have restricted use of live bait in most of the Gila River system in Arizona (AZ Game and Fish Commission Order 40, effective January 1, 1998). The use of live bait is allowed in the Gila Basin in New Mexico (David Propst pers. comm. 1999).

The increasing restriction of live bait use will reduce the input of nonnative species into the Gila chub's habitat. However, it will do little to reduce unauthorized bait use or other forms of ''bait-bucket'' transfer (*e.g.,* dumping of unwanted aquarium fish which may be invasive) not directly related to bait use. In fact, those other ''bait-bucket'' transfers are expected to increase as the human population of southern Arizona increases and as nonnative species become more available to the public through increased aquaculture, increased aquarium trade, and increased distribution through mechanisms such as the CAP aqueduct. The general public have been known to dump unwanted pet fish and other aquatic species into irrigation ditches such as the CAP aqueduct. The CAP aqueduct runs through the Phoenix metropolitan area.

A variety of existing international conventions and law, and Federal and State regulations provide limited protection to the Gila chub and its habitat. The Gila chub is included in *Wildlife of Special Concern* in Arizona, and State regulations prohibit collection of or fishing for Gila chub in Arizona except under special permit (AGFD 1988). In New Mexico, Gila chub is listed as endangered, and collecting is prohibited except by special permit (Propst pers. comm. 1999). In Mexico the Gila chub is endangered and the collection of threatened and endangered species is prohibited (DOF 1994). The habitat of the Gila chub and other threatened and endangered species is protected from some activities in Mexico.

The Lacey Act (16 U.S.C. 3371 *et seq.*), as amended in 1982, provides some protection for the Gila chub. This legislation prohibits the import, export, sale, receipt, acquisition, purchase, and engagement in interstate or foreign commerce of any species taken, possessed, or sold in violation of any law, treaty, or regulation of the United States, any Tribal law, or any law or regulation of any State.

The Federal Land Policy Management Act of 1976 (43 U.S.C. 1701 *et seq.*) and the National Forest Management Act of 1976 (16 U.S.C. 1600 *et seq.*) direct Federal agencies to prepare programmatic-level management plans to guide long-term resource management decisions. In addition, the FS is required to manage habitat to maintain viable populations of existing native and desired nonnative vertebrate species in planning areas (36 CFR 219.19). These regulations have resulted in the preparation of a variety of land management plans by the FS and the BLM that address management and resource protection of areas that support, or in the past supported, populations of Gila chub.

Many activities that affect the Gila chub and its habitat may occur outside of the States in which it occurs. For instance, activities such as atmospheric pollution from copper smelters or other actions that may be responsible for global amphibian declines, may also affect Gila chub. State and Federal air quality regulations strictly regulate emissions from copper smelters, historically a major source of acidic rainfall and atmospheric cadmium and arsenic in southeastern Arizona, pollutants that may affect the Gila chub (Hale and Jarchow 1988). However, a major source of these pollutants has been copper smelters in Sonora, Mexico which are not subject to the same regulations as in the United States (Hale *et al.* 1995; Blanchard and Stromberg 1987).

The FS has only limited ability to regulate introductions or stockings of nonnative species that prey on the Gila chub. Despite extensive planning efforts by the FS and implementation of management actions to maintain viable populations of native species on FS

lands, loss of Gila chub populations and metapopulations has continued.

Wetland values and water quality of aquatic sites inhabitated by the Gila chub are afforded varying protection under the Federal Water Pollution Control Act of 1948 (33 U.S.C. 1251–1376), as amended; and Federal Executive Orders 11988 (Floodplain Management) and 11990 (Protection of Wetlands), and section 404 of the Clean Water Act which regulates dredging and filling activities in waterways.

The New Mexico Department of Game and Fish has adopted a wetland protection policy whereby the Department does not endorse any project that would result in net decrease in either wetland acreage or wetland habitat values. This policy affords only limited protection to Gila chub habitat because it is advisory only; destruction or alteration of wetlands is not regulated by State law.

The State of Arizona Executive Order Number 89–16 (Streams and Riparian Resources), signed on June 10, 1989, directs State agencies to evaluate their actions and implement changes, as appropriate, to allow for restoration of riparian resources. Implementation of this regulation may reduce adverse effects of some State actions on the habitat of the Gila chub.

As discussed above, the protection afforded by these and other Federal laws and regulations discussed herein is inadequate to halt population extirpation and the degradation of the habitat of this species.

*E. Other Natural or Manmade Factors Affecting Its Continued Existence*

Gila chub populations remain fragmented and isolated to essentially small stream segments and are vulnerable to those natural or manmade factors that might further reduce their population size. Most of the existing populations of Gila chub occur on Federal land away from any incorporated communities and the current land uses such as livestock grazing and agriculture are the major factors in these remote areas that have contributed and will continue to contribute to the Gila chub's imperiled status. Additionally, wildfires pose a threat to the remaining extant populations. The frequency and intensity of wildfires in the Southwest has increased over the past ten years due to drought conditions, wildfire suppression activities, and increased recreational activities (*i.e.,* camping). An effort is underway to restore natural fire regimes to forest lands, but at present it is focused on areas of urban interface, and many decades will likely pass before natural fire cycles are restored on a landscape scale across the Southwest.

The fragmentation of habitat and isolation of Gila chub populations has decreased the opportunity for additional gene flow to occur within these populations. Currently, the Gila chub has limited representation in each of the subunits within its historical range. To achieve recovery, isolated populations may need to be augmented or Gila chub may need to be reintroduced into areas where they are extirpated.

In general, Arizona is an arid state; about one-half of Arizona receives less than ten inches of rain a year. Among the most important climatic factors affecting Arizona's rivers and streams is the variable pattern of rainfall which includes winter precipitation and summer thunderstorms that can be accompanied by flash floods.

Flooding is a natural part of the hydrological cycle and is an important part of a river regime. Life cycles of plant and aquatic life are tied to annual floods. Stream biota is adapted to the seasonal cycles of flooding and low flows; which helps determine the biomass of fishes. Many native stream fishes of the southwest are morphologically and behaviorally adapted to survive periodic flooding (Harrel, 1978; Meffe 1984; Minckley and Deacon 1991). Sabino Canyon in the Santa Catalina mountains in southeastern Arizona experiences these erratic flows which have an adverse effect on both the small population of Gila chub and the existing nonnatives. Seasonal timing as well as magnitude of flooding may, therefore, differentially affect nonnative species (Dudley and Matter, 1999).

Streamflow regime refers to the permanence and seasonal patterns of streamflow. Some streams have stable flow due to ground water sources, whereas others, such as many in the Gila River basin, fluctuate significantly or are intermittent because they are fed primarily by overland runoff. Stable flows can be advantageous to some fish but are not always necessary or desirable for native species such as the Gila River Basin native fish which evolved in a system with high flow fluctuations. High flows can act as a cleansing mechanism for the streambed materials. High flows also act as a cue for timing of migration and spawning. Low flows serve as a time for recruitment and growth of young fish; however, extremely low flows can limit production of young fish. Alteration of a stream's natural flow regime may be undesirable if it adversely modifies normal seasonal high and low flows to which the stream biota is adapted (Kohler and Hubert, 1993). Flow regimes in the Gila River Basin have been altered by watershed modification, dam construction, channelization and other human actions (Olmstead 1919; DeBano and Schmidt 1989; Tellman *et al.* 1997).

These extremes of natural floods have been modified through channelizing and diverting water predominantly for agricultural use in irrigation systems. Examples of this are the San Pedro River and Safford Valleys in which mainstream waterflows are adversely affected by groundwater and surface water withdrawls from the aquifers or streams. In the past, water was diverted from Cienega Creek for irrigation purposes within the BLM's Empire-Cienega Resource Conservation Area (RCA) (Weedman 1996). These withdrawals are made by direct surface water diversions from diversion dams or instream pumps and by pumping groundwater from the floodplain aquifer. The major consequences of channelization affecting aquatic systems include loss of specific substrate such as removal of snags, root masses, and other debris, loss of instream vegetation, loss of streamside vegetation, increased gradient and velocity, dewatering of adjacent lands, change in basic physicochemical regime, and decreased allocthonous input (energy source produced outside of the aquatic system) (U.S. Fish and Wildlife 1982). The consequences of channelization are greatest at the level of the individual organism, including effects on niches (habitat having the properties necessary for survival), food, reproduction, and behavior. At the population level, density and distribution of aquatic populations are affected.

Land use changes are the most significant secondary cause of channelization. The most simplistic impact is that of dewatering or more effectively draining an area, resulting in an immediate change from wetland associated uses to dryland associated uses (Darnell 1976), resulting in loss of wetland, marshes, and riparian areas.

Seasonal fluctuations due to droughts, floods, dams, and high human demand for water has had adverse impacts on the available surface flow, which restricted the distribution of Gila chub into small isolated populations. This fragmentation of habitat makes the Gila chub very vulnerable to threats from further habitat loss and competition from nonnative fish.

There are several conservation efforts being initiated to help the Upper San Pedro River subwatershed. The Upper San Pedro Partnership has identified a number of strategies to be pursued,

including requesting that ADWR move to establish an irrigation non-expansion area (areas in which limitations are placed on how much irrigation is allowed) in the subwatershed, acquisition of ephemeral arroyos to maximize aquifer recharge, elimination of groundwater pumping within one mile of the river through exchange of State lands and/or acquisition of private lands or water rights near the river, assistance to communities in securing funding for feasibility studies to determine the best use of their effluent, increasing recharge of storm water runoff, investigation of moving wells in Bisbee, Arizona, to areas outside of the San Pedro watershed, and other measures. The Partnership also proposes longer-term water resources planning to develop other strategies.

The San Pedro Alliance, a non-governmental entity, was recently created with the objective of providing information and plans for reducing water usage and sustaining the river in the long term. The Nature Conservancy has been active in local forums, and in public education and acquisitions of land and easements. The Udall Center for Studies in Public Policy has also been working in the subwatershed to inspire and enable community members to contribute to water-wise planning and management activities in the upper San Pedro River basin.

AGFD has several conservation projects in progress for helping to improve the status of the Gila chub. In cooperation with the Coronado National Forest, they recently completed a renovation project on Sabino Canyon to remove green sunfish and help improve the suitability of the existing Gila chub population. Two other projects that are in the planning stages and moving toward implementation are Bog Hole Wildlife Area and O'Donnell Canyon. Bog Hole Wildlife Area is a stock tank (pond) that was illegally stocked with nonnative green sunfish. Removal of these nonnatives is planned in addition to stocking tanks upstream that have potential Gila chub habitat. The second project is O'Donnell Canyon, where Gila chub are relatively abundant although nonnative green sunfish pose a threat. Removal of nonnative green sunfish is also required for this site. This project site is located in the Canelo Hills Preserve which is partially owned by TNC. This stream renovation project is a coordinated effort between TNC, the Service, the FS, and Region V of the Arizona Game and Fish Department. Both Larry Creek and Lousy Canyon have been stocked with Gila chub in an effort to reestablish them into suitable habitat.

We have carefully assessed the best scientific and commercial information available regarding the past, present, and future threats faced by the Gila chub in determining to propose this rule. Based on this evaluation, we are proposing to list the Gila chub as endangered. The Act defines an endangered species as one that is in danger of extinction throughout all or a significant portion of its range. The Act defines a threatened species as any species likely to become endangered within the foreseeable future. Without protections, the Gila chub will become extinct in the foreseeable future based on the following: (1) 85 to 90 percent of its habitat has been degraded or destroyed, and further degradation and destruction is ongoing; (2) extant populations of Gila chub are small and occupy habitat that has become severely fragmented, reducing chances for recolonization; and (3) competition with, and predation from, nonnatives is a major and increasing threat. These circumstances have reduced this species to an imperiled status. Therefore, the Gila chub meets the definition of an endangered species under the Act.

## Critical Habitat

### *Definition of Critical Habitat*

Critical habitat is defined in section 3 paragraph (5)(A) of the Act as (i) the specific areas within the geographic area occupied by a species, at the time it is listed in accordance with the Act, on which are found those physical or biological features (I) essential to the conservation of the species and (II) that may require special management consideration or protection; and (ii) specific areas outside the geographic area occupied by a species at the time it is listed, upon determination that such areas are essential for the conservation of the species. ''Conservation'' as defined by the Act, means the use of all methods and procedures that are necessary to bring an endangered species or a threatened species to the point at which listing under the Act is no longer necessary.

Critical habitat provides non-regulatory benefits to the species by informing the public and private sectors of areas that are important for species recovery and where conservation actions would be most effective. Designation of critical habitat can help focus conservation activities for a listed species by identifying areas that contain the physical and biological features that are essential for the conservation of that species, and can alert the public as well as land-managing agencies to the importance of those areas. Critical habitat also identifies areas that may require special management considerations or protection, and may help provide protection to areas where significant threats to the species have been identified or help to avoid accidental damage to such areas.

To be included in a critical habitat designation, the habitat must be ''essential to the conservation of the species.'' Critical habitat designations identify, to the extent known and using the best scientific and commercial data available, habitat areas that provide essential life cycle needs of the species (such as areas on which are found the primary constituent elements, as defined at 50 CFR 424.12(b)). Section 3(5)(C) of the Act states that not all areas that can be occupied by a species should be designated as critical habitat unless the Secretary determines that all such areas are essential to the conservation of the species. Our regulations (50 CFR 424.12(e)) also state that, ''The Secretary shall designate as critical habitat areas outside the geographic area presently occupied by the species only when a designation limited to its present range would be inadequate to ensure the conservation of the species.''

Section 4(b)(2) of the Act requires that we take into consideration the economic impact, and any other relevant impact, of specifying any particular area as critical habitat. We may exclude areas from critical habitat designation when the benefits of exclusion outweigh the benefits of including the areas within critical habitat, provided the exclusion will not result in extinction of the species.

Designation of critical habitat does not, in itself, lead to recovery of a listed species. Designation does not create a management plan, establish numerical population goals, prescribe specific management actions (inside or outside of critical habitat), or directly affect areas not designated as critical habitat. Specific management recommendations for critical habitat are most appropriately addressed in recovery plans and management plans, and through section 7 consultations.

The Service's Policy on Information Standards Under the Endangered Species Act, published in the **Federal Register** on July 1, 1994 (59 FR 34271), provides criteria, establishes procedures, and provides guidance to ensure that decisions made by us represent the best scientific and commercial data available. It requires that we, to the extent consistent with the Act and with the use of the best scientific and commercial data available, use primary and original

sources of information as the basis for recommendations to designate critical habitat. When determining which areas are critical habitat, a primary source of information should be the listing package for the species. Additional information may be obtained from a recovery plan, articles in peer-reviewed journals, conservation plans developed by States and counties, scientific status surveys and studies, and biological assessments or other unpublished materials (*i.e.,* gray literature).

Habitat is often dynamic, and species may move from one area to another over time. Furthermore, we recognize that designation of critical habitat may not include all of the habitat areas that may eventually be determined to be necessary for the recovery of the species. For these reasons, all should understand that critical habitat designations do *not* signal that habitat outside the designation is unimportant or may not be required for recovery. Areas outside the critical habitat designation will continue to be subject to conservation actions that may be implemented under section 7(a)(1) and to the regulatory protections afforded by the section 7(a)(2) jeopardy standard and the section 9 take prohibition, as determined on the basis of the best available information at the time of the action. We specifically anticipate that federally funded or assisted projects affecting listed species outside their designated critical habitat areas could still result in jeopardy findings in some cases. Similarly, critical habitat designations made on the basis of the best available information at the time of designation will not control the direction and substance of future recovery plans, habitat conservation plans, or other species conservation planning efforts if new information available to these planning efforts calls for a different outcome.

*Application of the Section 3(5)(A) Criteria Regarding Special Management Considerations or Protection*

Critical habitat is defined in section 3, paragraph (5)(A) of the Act as—(i) the specific areas within the geographic area occupied by a species, at the time it is listed in accordance with the Act, on which are found those physical or biological features (I) essential to the conservation of the species and (II) that may require special management considerations or protection; and (ii) specific areas outside the geographic area occupied by a species at the time it is listed, upon a determination that such areas are essential for the conservation of the species. Special management and protection are not required if adequate management and protection are already in place. Adequate special management or protection is provided by a legally operative plan or agreement that addresses the maintenance and improvement of the primary constituent elements important to the species and manages for the long-term conservation of the species. If any areas containing the primary constituent elements currently were being managed to address the conservation needs of the Gila chub and did not require special management or protection, these areas would not meet the definition of critical habitat in section 3(5)(A)(i) of the Act and would not be included in the designation.

To determine if a plan provides adequate management or protection we consider three criteria: (1) Whether the plan is current and specifies the management actions and whether such actions provide sufficient conservation benefit to the species; (2) whether the plan provides assurances that the conservation management strategies will be implemented, and in determining this we consider whether: (a) A management plan or agreement exists that specifies the management actions being implemented or to be implemented; (b) the schedule for implementation is timely; (c) there is a high probability that the funding source(s) or other resources necessary to implement the actions will be available; and (d) the party(ies) have the authority and long-term commitment to implement the management actions, as demonstrated, for example, by a legal instrument providing enduring protection and management of the lands, and (3) whether the plan provides assurances that the conservation management strategies will be effective. In determining whether an action is likely to be effective, we consider whether: (a) The plan specifically addresses the management needs, including reduction of threats to the species; (b) such actions have been successful in the past; (c) there are provisions for monitoring and assessment of the effectiveness of the management actions; and (d) adaptive management principles have been incorporated into the plan.

Several areas of Gila chub habitat are covered under current management plans. The following paragraphs describe entities that have either a draft or final management plan that will likely address or that do address the conservation needs of the Gila chub within certain areas. As described below, we have not excluded areas on the basis of draft management plans. However, plans that are finalized prior to our final determination will be evaluated by us to determine if they provide special management.

The only tribal lands affected by this proposed designation are those of the San Carlos Apache Indian Reservation. Currently, the San Carlos Indian Apache Tribe has a draft fisheries management plan which we anticipate being finalized prior to our final determination on this proposed rule. Once completed we will consider whether this plan provides adequate special management considerations or protection for the Gila chub and we may not include these lands as a result of the management plan, or we will weigh the benefits of excluding these areas under section 4(b)(2).

The BLM and TNC have a cooperative agreement to manage the Muleshoe Preserve, which is in the lower San Pedro River Area under the Muleshoe Ecosystem Management Plan. This plan addresses the necessary maintenance and improvement of the watershed that provides for the primary constituent elements important to the Gila chub, and it provides conservation goals for the Gila chub. The Muleshoe Preserve has four drainages that support Gila chub. However, only two, Double R Canyon and Wildcat Creek, are within a closed watershed basin and are currently protected from outside adverse actions in the watershed and outside sources for nonnative species invasion. These two drainages were not included in the proposed critical habitat designation because adequate special management is being provided under Muleshoe Ecosystem Management Plan.

The Nature Conservancy holds a conservation easement on private and State Park lands in the San Rafael Valley which is located in the headwaters of the Santa Cruz River. This conservation agreement prohibits activities that would be detrimental to the watershed and Gila chub habitat. This conservation easement assures that the property will be preserved forever in its predominantly open, scenic, undeveloped, and natural condition. It will prevent any use of the property that will significantly impair or interfere with the conservation values of the property and the property's natural resources and ecosystem. This easement will conserve habitat for wildlife and fisheries, protect rare and unique native plants and animals currently known or later identified. Sheehy Spring lies within this conservation easement and it supports Gila chub. We have not included Sheehy Spring in the proposed critical habitat designation because we believe that special management is

being provided by the conservation easement.

*Methods*

In proposing critical habitat for the Gila chub, we solicited information from knowledgeable biologists and reviewed recommendations contained in State wildlife resource reports (Weedman 1996). We also reviewed the available literature pertaining to habitat requirements, historical localities, and current localities of the Gila chub. The proposed critical habitat designation described below constitutes our best assessment of areas essential for the conservation of the Gila chub and is based on the best scientific and commercial information available. The areas proposed are within the geographical range currently occupied by the species and contain one or more of the primary constituent elements identified in the ''Primary Constituent Elements'' section below. All of the areas proposed as critical habitat are within the area historically occupied by the species and require special management consideration and protection to ensure their contribution to the species' recovery.

Important considerations in selection of areas included in the critical habitat designation include factors specific to each river system, such as size, connectivity, and habitat diversity, as well as rangewide recovery considerations, such as genetic diversity and representation of major portions of the species' historical range. Each area contains stream reaches that are in close proximity to nearby stream reaches with interconnected waters so that Gila chub can move between areas, at least during certain flows or seasons. The ability of the fish to repopulate areas where they have been depleted or extirpated is vital to recovery. Additionally, these reaches play a vital role in the overall health of the aquatic ecosystem and, therefore, the integrity of upstream and downstream Gila chub habitats.

Stabilization of the Gila chub at its present population level and distribution will not achieve conservation. The overall trend in the status of the Gila chub has been characterized by dramatic declines in numbers and range despite the fact that this species evolved in rapidly fluctuating, harsh environments. Known Gila chub populations remain fragmented and isolated to essentially very small stream segments and are vulnerable to those natural or manmade factors that might further reduce population size. If recovery actions fail to reverse the decline of Gila chub in its historical range, the species' vulnerability to catastrophic events, such as the introduction of the green sunfish, or a prolonged period of low or no flow, would increase. Recovery through protection and enhancement of the existing populations, plus reestablishment of populations in suitable areas of historical range, are necessary for the species' survival and recovery. As previously stated, repatriation of Gila chub from extant populations will be evaluated as a means to recover the Gila chub in unoccupied portions of its historical habitat. Future restoration efforts will occur, pending completion of an approved recovery plan and genetic work to determine the suitability of using Gila chub from the extant populations in repatriation efforts.

In proposing critical habitat for the Gila chub, we identified all the currently known occupied sites and determined whether they contained the primary constituent elements for the future conservation of this species. Due to the lack of extensive and intensive fish surveys within the overall historical range of the Gila chub and because of the loss of Gila chub from approximately 85 to 90 percent of its range, we are only aware of small isolated populations. The Gila chub is a headwater chub, meaning that it commonly inhabits pools in smaller streams, springs, and cienegas and prefers small tributaries. Historically, it is likely that Gila chub within each of these tributaries were geographically connected by the major river systems which would have been used as migration corridors. Most of these major rivers no longer contain suitable habitat for such movement. We divided the overall historical range into seven river subunits, and each proposed critical habitat stream segment was derived from within these main river subunits. We have used these main river units for points of reference in defining our critical habitat boundaries, but we are proposing to designate critical habitat only in tributaries of these main rivers, and not the main rivers themselves.

*Primary Constituent Elements*

In accordance with section 3(5)(A)(i) of the Act and regulations at 50 CFR 424.12, in determining which areas to propose as critical habitat, we consider those physical and biological features that are essential to the conservation of the species and that may require special management considerations or protection. These general categories of biological needs include, but are not limited to, the following: space for individual and population growth, and for normal behavior; food, water, or other nutritional or physiological requirements; cover or shelter sites for breeding, reproduction, or rearing of offspring; and habitats that are protected from disturbance or are representative of the historical geographical and ecological distribution of a species.

The specific primary constituent elements required of Gila chub habitat are derived from the biological needs of the Gila chub as described below.

*Space for Individual and Population Growth and Normal Behavior*

Gila chub are highly secretive, preferring quiet deeper waters, especially pools, or remaining near cover including terrestrial vegetation, boulders, and fallen logs (Rinne and Minckley 1991). Undercut banks created by overhanging terrestrial vegetation with dense roots growing into pool edges provide ideal cover (Nelson 1993). Gila chub can survive in larger stream habitat such as the San Carlos River, and artificial habitats, like the Buckeye Canal (Stout *et al.* 1970; Rinne 1976). Gila chub interact with spring and small stream fishes regularly (Meffe 1985), but prefer deeper waters (Minckley 1973). Adults often are found in deep pools and eddies below areas with swift current, as in the Gila chub habitats found in Bass Canyon and Hot Springs in the Muleshoe Preserve area. Young-of-the-year inhabit shallow water among plants or eddies, while older juveniles use higher-velocity stream areas (Minckley 1973, 1991).

Young Gila chub from Monkey Spring, Santa Cruz River watershed (now extirpated), inhabited swifter areas than adults, which used undercut banks and heavily vegetated margins of the spring run (Minckley 1969). Griffith and Tiersch (1989) collected Gila chubs from both riffles and pools in Redfield Canyon. Dudley (1995) found that Gila chubs in Sabino Creek were highly reclusive in winter, occupying dark interstitial space. Adults were found in deep water with small substrates, but often away from cover. Sub-adults were more active and visible in the summer and were observed farther from cover. Sub-adults were observed more frequently in shallow areas with measurable current as water temperatures increased.

*Habitats Protected from Disturbance*

As discussed in factor C above, Gila chub evolved in a fish community with low species diversity and where few predators existed, and as a result developed few or no mechanisms to deal with predation (Carlson and Muth 1989). In its habitats, the Gila chub was probably the most predatory fish and

experienced little or no competition. The introduction of more aggressive and competitive nonnative fish has led to significant losses of Gila chub.

*Food*

Griffith and Tiersch (1989) observed that Gila chub are omnivorous (feed on both plant and animal substances). Adults appear to be principally carnivorous, feeding on large and small aquatic and terrestrial invertebrates and sometimes other small fishes (Rinne and Minckley 1991). Smaller individuals often feed on organic debris and aquatic plants (especially filamentous (threadlike) algae, and less intensely on diatoms (unicellular or colonial algae).

Griffith and Tiersch (1989) dissected 27 Gila chub stomachs from Refield Canyon, finding aquatic material that included speckled dace and dobsonfly nymphs (order Megaloptera). Terrestrial insects included primarily ants, with some caterpillars and beetles. Diatoms (algae) were most common by volume. Bottom feeding may also occur, as suggested by presence of small gravel particles. Minckley (1969) observed Gila chub chasing Gila topminnows in Monkey Spring, but not necessarily as prey.

*Water Quality*

Water quality is also an issue for the Gila chub. Excessive sedimentation is the primary threat to water quality for the Gila chub (as discussed in factor A above). In addition, mining activity can also introduce contaminants. For example, Gila chub that are found in Mineral Creek are limited to waters that are above the ASARCO mine. Water from the mine is drained back into Mineral Creek and no Gila chub have been found in this area.

*Reproduction and Rearing of Offspring*

Spawning probably occurs over beds of submerged aquatic vegetation or root wads. Nelson (1993) attempted to identify cover and substrate types, duration of spawning, breeding color changes, and water temperature during spawning in Cienega Creek, Arizona. He concluded that warmer water temperatures 20 to 24 degrees Celsius (C) (68 to 75.2 degrees Farenheit (F)) appear to increase breeding color intensities. Thus, warmer water temperatures may contribute to a successful spawn. For the roundtail chub, a close relative of the Gila chub, spawning occurs when water temperatures are approximately 20°C (68°F) (Bestgen *et al.* 1985). Bestgen (1985) concluded that temperature was the most significant environmental factor triggering spawning. In the 2002 Status Survey for the roundtail chub, spawning temperatures ranged from 20°C to 26.5°C (68 to 79.7°F).

We are required to list the known primary constituent elements together with a description of any critical habitat that is designated. The primary constituent elements determined necessary for survival and recovery of the Gila chub include, but are not limited to:

1. Perennial pools, areas of higher velocity between pool areas, and areas of shallow water among plants or eddies all found in small segments of headwaters, springs, or cienegas of smaller tributaries.
2. Water temperatures for spawning ranging from 20 to 26.5°C (68 to 79.7°F) with sufficient dissolved oxygen, nutrients, and any other water related characteristics needed.
3. Water quality with reduced levels of contaminants or any other water quality characteristics, including excessive levels of sediments, adverse to Gila chub health.
4. Food base consisting of invertebrates, filamentous (threadlike) algae, and insects.
5. Sufficient cover consisting of downed logs in the water channel, submerged aquatic vegetation, submerged large tree root wads, undercut banks with sufficient overhanging vegetation, large rocks and boulders with overhangs.
6. Habitat devoid of nonnative aquatic species detrimental to Gila chub or habitat in which detrimental nonnatives are kept at a level which allows Gila chub to continue to survive and reproduce. For example, the Muleshoe Preserve and Sabino Canyon Gila chub populations are devoid of nonnative aquatic species. The O'Donnell Canyon Gila chub population has continued to survive and reproduce despite the current level of nonnative aquatic species present.
7. Streams that maintain a natural unregulated flow pattern including periodic natural flooding. An example is Sabino Canyon which has experienced major floods. If flows are modified, then the stream should retain a natural flow pattern that demonstrates an ability to support Gila chub.

*Proposed Critical Habitat Designation*

The proposed designation includes areas within the geographical range occupied by the Gila chub that contain one or more of the primary constituent elements and that may require special management or protection. We propose to designate approximately 333.6 km (207.8 mi) of stream reaches as critical habitat.

Critical habitat vital for the conservation of Gila chub includes: cienegas, headwaters, spring-fed streams, perennial streams (Vives 1990), and spring-fed ponds (Minckley 1969). Historically, the range of the Gila chub covered over one-quarter of southeastern Arizona. The Gila chub now occupies about 10 to 15 percent of its historical range. Current populations of Gila chub are now scattered in small disjunct habitats throughout the following Counties; Yavapai, Maricopa, Gila, Coconino, Pinal, Graham, Pima, Santa Cruz, Cochise, and Greenlee.

The proposed critical habitat described below constitutes our best assessment of areas needed for the conservation of Gila chub and is based on the best scientific and commercial information available. The proposed areas are essential to the conservation of the species because they currently support populations of Gila chub and because they currently have the necessary requirements for survival, growth, and reproduction of the Gila chub (see ''Primary Constituent Elements'' section above). All of the proposed areas are essential to help preserve genetic diversity and adaptation capabilities of the Gila chub.

For each stream reach the up- and downstream boundaries are described below. Additionally, the proposed critical habitat includes the stream channels within the identified stream reaches and areas within these reaches potentially inundated during high flow events. Critical habitat includes the area of bankfull width plus 300 feet on either side of the banks. The bankfull width is the width of the stream or river at bankfull discharge, *i.e.,* the flow at which water begins to leave the channel and move into the floodplain (Rosgen 1996). Bankfull discharge, while a function of the size of the stream, is a fairly consistent feature related to the formation, maintenance, and dimensions of the stream channel (Rosgen 1996). This 300-foot width defines the lateral extent of those areas we believe are essential to the species' conservation.

We determined the 300-foot lateral extent for several reasons. First, the implementing regulations of the Act require that critical habitat be defined by reference points and lines as found on standard topographic maps of the area (50 CFR 424.12). Although we considered using the 100-year floodplain, as defined by the Federal Emergency Management Agency (FEMA), we found that it was not included on standard topographic maps, and the information was not readily available from FEMA or from the Army

Corps of Engineers for the areas we are proposing to designate. We suspect this is related to the remoteness of various stream reaches. Therefore, we selected the 300-foot lateral extent, rather than some other delineation, for three biological reasons: (1) The biological integrity and natural dynamics of the river system are maintained within this area (*i.e.,* the floodplain and its riparian vegetation provide space for natural flooding patterns and latitude for necessary natural channel adjustments to maintain appropriate channel morphology and geometry, store water for slow release to maintain base flows, provide protected side channels and other protected areas, and allow the river to meander within its main channel in response to large flow events); (2) conservation of the adjacent riparian area also helps provide essential nutrient recharge and protection from sediment and pollutants; and (3) vegetated lateral zones are widely recognized as providing a variety of aquatic habitat functions and values (*e.g.,* aquatic habitat for fish and other aquatic organisms, moderation of water temperature changes, and detritus for aquatic food webs) and help improve or maintain local water quality (65 FR 12897; Middle Rio Grande Biological Interagency Team 1993). We invite comments or information relating to the 300-foot lateral width of this proposed designation of critical habitat.

This proposal takes into account the naturally dynamic nature of riverine systems and recognizes that floodplains (including riparian areas) are an integral part of the stream ecosystem. For example, riparian areas are seasonally flooded habitats (*e.g.,* wetlands) that are major contributors to a variety of vital functions within the associated stream channel (Federal Interagency Stream Restoration Working Group 1998, Brinson *et al.* 1981). They are responsible for energy and nutrient cycling, filtering runoff, absorbing and gradually releasing floodwaters, recharging groundwater, maintaining streamflows, protecting stream banks from erosion, and providing shade and cover for fish and other aquatic species. Healthy riparian areas help ensure water courses maintain the habitat components essential to aquatic species (*e.g., see* U.S.D.A. Forest Service 1979; Briggs 1996), including the Gila chub. Habitat quality within the mainstem river channels in the historical range of the Gila chub is intrinsically related to the character of the floodplain and the associated tributaries, side channels, and backwater habitats that contribute to the key habitat features (*e.g.,* substrate, water quality, and water quantity) in these reaches.

Among other things, the floodplain provides space for natural flooding patterns and latitude for necessary natural channel adjustments to maintain channel morphology and geometry. We believe a relatively intact riparian area, along with periodic flooding in a relatively natural pattern, are important in maintaining the stream conditions necessary for long-term survival and recovery of the Gila chub.

Conservation of the river channel alone is not sufficient to ensure the survival and recovery of the Gila chub. For the reasons discussed above, we believe the riparian corridors adjacent to the river channel provide an important function for the protection and maintenance of critical habitat and are essential to the conservation of the species.

*Critical Habitat Designations*

We propose the following areas as critical habitat for Gila chub (*see* the ''*Regulation Promulgation*'' section of this rule for exact legal descriptions of the critical habitat boundaries). The proposed designation includes seven river units with a total of 333.6 km (207.8 mi) of stream reaches (see Table 1 below). These river units represent those areas that currently are within the geographical range occupied by the Gila chub, including small tributaries, springs, and cienegas. We are not proposing to designate the mainstem river channels that may have been historically used by Gila chub as migration corridors and are currently considered outside of the occupied range of the Gila chub. In addition, most of these major rivers no longer contain suitable habitat to serve as migration corridors for movement of Gila chub. The distances and conversions below are approximate.

TABLE 1.—APPROXIMATE CRITICAL HABITAT IN STREAM KILOMETERS AND MILES (7 RIVER UNITS).

| | New Mexico | Arizona | Total |
|---|---|---|---|
| Federal land (USFS and BLM) | 11.6 km (7.27 mi) | 185 km (115 mi) | 196.6 km (122.3 mi) |
| State | 0 | 11.2 km (7.0 mi) | 11.2 km (7.0 mi) |
| County | 0 | 17.2 km (10.7 mi) | 17.2 km (10.7 mi) |
| Private | 0 | 28.6 km (17.8 mi) | 28.6 km (17.8 mi) |
| Tribal | 0 | 80.0 km (50.0 mi) | 80.0 km (50.0 mi) |
| Total | 11.6 km (7.27 mi) | 322 km (200.5 mi) | 333.6 (207.8) |

Area 1

Upper Gila River Unit, Grant County, New Mexico; Greenlee and Graham counties, Arizona. Tributary streams proposed for critical habitat include Turkey Creek, Dix Creek, Harden Cienega Creek, Eagle Creek, and East Eagle Creek. All of these tributaries are within the geographical range occupied by the Gila chub. These tributaries represent the few remaining tributaries of a low desert river that currently provide the necessary habitat for the Gila chub, in a largely natural state.

a. *Turkey Creek (New Mexico)*—11.8 km (7.3 mi) of creek extending from the edge of the Gila Wilderness boundary in the Gila National Forest and continuing upstream into the Gila Wilderness. Turkey Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover. Turkey Creek supports a population of Gila chub (David Propst pers. comm. 1999). Gila chub were collected in Turkey Creek in 2001.

b. *Eagle Creek and East Eagle Creek*—35.2 km (21.8 mi) of creek. The proposed designation extends from Eagle Creek, T. 1 S., R. 28 E., Section 31 SWSW continuing upstream to the

confluence with Dry Prong and East Eagle Creeks. The proposed designation also includes from East Eagle Creek extending from its confluence with Eagle Creek continuing upstream to its headwaters. Nine other native fishes known to occupy Eagle Creek include loach minnow, spikedace, longfin dace, speckled dace, Sonora sucker, desert sucker, razorback sucker (repatriated), roundtail chub, and an undetermined trout. This upper portion of Eagle Creek contains one or more of the primary constituent elements, including a series of permanent pools with riffle (shallow area in a streambed causing ripples) and run areas in between these pools and the necessary vegetation that provides cover. Eagle Creek has low turbidity and low salinity which significantly reduces the concentration of dissolved salts that get delivered into the Gila River, thereby providing suitable habitat for the Gila chub. Gila chub were first collected on Eagle Creek in 1987 by Clarkson near the Honeymoon Campground. There is a diversion dam just below the end of the proposed critical habitat reach that acts as a barrier to prevent nonnatives from invading from the Gila River. Periodic flooding appears to decrease the presence of nonnatives, subsequently decreasing the impacts to native fishes by nonnatives in Eagle Creek above this diversion dam (Marsh *et al.* 1990). East Eagle Creek contains one or more of the primary constituent elements, including a series of permanent pools with riffle and run areas in between these pools and the necessary vegetation that provides cover. East Eagle Creek is also hydrologically connected to Eagle Creek. The FS is currently involved in restoration work on East Eagle Creek by changing grazing management to benefit the Gila chub and other native fish.

c. *Harden Cienega Creek*—22.1 km (13.7 mi) of creek extending from the confluence with the San Francisco River upstream to its headwaters. The lower portion just above the mouth with the San Francisco River is where Gila chub were observed by Arizona State University personnel in 1995 (Weedman 1996). Harden Cienega Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover.

d. *Dix Creek*—7.6 km (4.7 mi) of creek beginning one mile upstream from the confluence with the San Francisco River and continuing upstream to both the Right Prong Fork and Left Prong Fork of Dix Creek. Dix Creek is dry at the confluence with the San Francisco River, and a natural rockfall fish barrier is present at the one mile mark. This barrier is effective in isolating the upper drainages from nonnative fish. Perennial flow and Gila chub were found in 1995, in the portion below the two forks of Dix Creek (Paul Marsh pers. com. ASU 1999). Dix Creek contains one or more of the primary constituent elements, including perennial pools, and is devoid of nonnatives.

Area 2

Middle Gila River Area—Gila and Maricopa Counties, Arizona. There are three tributaries proposed for critical habitat, Mineral Creek, Blue River, and Bonita Creek. Gila chub were first confirmed in Mineral Creek in April 2000, by AGFD and ASU Zoology Department personnel. This newly found population of Gila chub fills a gap of what was previously determined unoccupied habitat within the Middle Gila River Unit. This may help to expand future populations of Gila chub in the Middle Gila River Unit. The two populations of Gila chub on the San Carlos Apache Reservation are located in the Blue River and the upper portion of Bonita Creek.

a. *Mineral Creek*—14.4 km (8.9 mi) of creek extending from the confluence with Devil's Canyon upstream to its headwaters. Gila chub currently occupy Mineral Creek and this area contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality. Below this area, Mineral Creek flows through the ASARCO mine, where it has been contaminated and does not provide suitable habitat. The area below the mine is not being proposed as critical habitat.

b. *Blue River*—40 km (25 mi) of creek extending from the confluence with the San Carlos River and continuing upstream to its headwaters at Blue River Spring. Blue River contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality. There are two waterfalls in the Blue River that help to restrict nonnatives to areas below the falls. Below the lower waterfall nonnatives do occur.

c. *Bonita Creek*—63.5 km (39.6 mi) of creek extending from the City of Safford's withdrawal pipeline and continuing upstream to its headwaters at Bonita tank area. That portion of Bonita Creek, above this withdrawal pipeline, currently is within the geographical range occupied by Gila chub. Bonita Creek has all the necessary primary constituent elements essential for the Gila chub. Bonita Creek is maintained by a seasonal combination of high winter and summer flows and low spring and fall flows. This combination of flows produces a diversity of habitat which permits native fish to exist. Flooding generally reduces nonnative populations and leaves the native fish community intact (Minckley and Meffe 1987). Gila chub have evolved in these dynamic flood patterns and can persist within high flood events. Gila chub were documented in Bonita Creek in 2001.

Area 3

The Babocomari River Area—Cochise County, Arizona. Historically the Babocomari River was a perennial stream which flowed through cienegas and marshlands all the way to the San Pedro River. However, livestock overgrazing destroyed much of the river. In 1995, AGFD found that the only water use was a large impoundment in the river, on the Babocomari Ranch. Perennial flows begin upstream from this impoundment near T–4 Spring. Gila chub were first collected from the Babocomari River in 1892 near Fort Huachuca Military Reservation and again in 1950, approximately 3.5 mi below the Babocomari Ranch (Weedman, *et al.* 1996). There have been no Gila chub collected in the Babocomari River and it is not being proposed for critical habitat. Tributaries to this area include O'Donnell Canyon, Turkey Creek, and Post Canyon.

a. *O'Donnell Canyon*—3.9 km (2.4 mi) of creek extending from the southern edge of the Audubon Research Ranch property upstream to the confluences of Western, Middle, and Pauline Canyons. Gila chub occupy O'Donnell Canyon and were last documented in 2001, although nonnative green sunfish pose a threat to their existence; plans for removal of sunfish are planned for the 2002 field season by the AGFD and the Coronado National Forest. O'Donnell Canyon provides the full range of primary constituent elements necessary for the conservation of the Gila chub.

b. *Turkey Creek and Post Canyon Creek*—9.1 km (5.7 mi) of creek. The proposed designation extends from Turkey Creek to the confluence with O'Donnell Creek upstream to the Arizona Highway 83 crossing. The proposed designation also includes Post Canyon from the confluence with O'Donnell Canyon continuing upstream to the existing concrete impoundment on BLM land. Habitat upstream from the Arizona Highway 83 crossing is on private land, and its condition is unknown; thus, it is not being proposed for critical habitat. Gila chub were documented in Turkey Creek in 1991 (Weedman *et al.* 1996). Turkey Creek

contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality. Post Canyon contains one or more of the primary constituent elements, including perennial pools, and is hydrologically connected to O'Donnell and Turkey Creeks. Post Canyon has only one reach that has perennial water except during extreme periods of drought. Even during periods of drought the stream maintains habitat for the Gila chub through perennial pools. The perennial portion of Post Canyon is the only portion that we are proposing to designate as critical habitat. Gila chub were collected in 1989 (Weedman 1996) in Post Canyon.

Area 4

Lower San Pedro River Area—Cochise, Graham, and Pima Counties, Arizona. Gila chub currently exist in several tributaries of this segment of the San Pedro River. Historically, Gila chub most likely occurred on both sides of the lower San Pedro River, however, documentation of Gila chub presence only exists for the east-side drainages. We are only proposing critical habitat for the east-side drainage areas.

a. *Bass Canyon*—5.4 km (3.4 mi) of creek extending from the confluence with Hot Springs Canyon upstream to the confluence with Pine Canyon. Perennial water was documented by Gori (1993) for this stream from the confluence with Hot Springs Canyon upstream 4.8 km (3.0 mi). The remainder of the stream was dry for 8 km (5.0 mi). All the State land in the Muleshoe Preserve was traded to the BLM and is managed by TNC. Beginning in 1991, biologists with TNC established eight fixed sample stations in Bass Canyon, five in Hot Springs, and three in Double R Canyon. Beginning in 1992, random pools are also sampled in the streams each year. Gila chub were collected from 1992 to 2001 in Bass Canyon. Bass Canyon contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality.

b. *Hot Springs Canyon*—1.1 km (0.69 mi) of creek extending from just below the Bass Canyon confluence downstream to the end of perennial flow, which is 0.4 km (0.25 mi) below the Muleshoe Ranch Preserve boundary. The occurrence of Gila chub within this reach of Hot Springs Canyon is sporadic due to the limited number of pools, however, Gila chub are commonly found where good pool habitat exists in Hot Springs Canyon (per. comm. TNC, 2000). Hot Springs Canyon contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality.

c. *Redfield Canyon*—3.6 km (2.2 mi) of creek extending from T. 11 S., R. 20 S, Section 31 SE continuing upstream to the confluence with Sycamore Canyon. The first documented collection of Gila chub in Redfield Canyon was in 1961. A number of collections of Gila chub occurred from 1976 to 1983. Redfield Canyon contains one of the few populations of Gila chub for which population studies have been conducted (Griffith and Tiersch 1989). Fall Fish Count (FFC) sites were established and surveyed by volunteers from 1988–1990. TNC established monitoring stations from 1991 to 1994. Gila chub were collected each year and they were the most abundant species caught in 1991 (72%) (Weedman 1996). TNC surveyed Redfield Canyon in November 2001 and Gila chub were documented. This segment of Redfield Canyon is very remote and has not had a lot of impact from humans. Additionally, no livestock grazing is permitted which contributes to the existence of the primary constituent elements for the Gila chub. Redfield Canyon has an abundant and healthy Gila chub population. Redfield Canyon contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality.

Area 5

Lower Santa Cruz River Area—Pima County, Arizona. Tributaries included in this proposed critical habitat designation are Cienega Creek, Mattie Canyon, Empire Gulch, and Sabino Canyon.

a. *Cienega Creek*—30.6 km (19.0 mi) of creek extending from the confluence with Pantano Wash and continuing upstream to T. 19 S., R. 17 E., Section 23 NWNW. The majority of Cienega Creek is federally owned and managed by the BLM with a small portion under the management of the Pima County Flood Control District. Perennial water exists within the Cienega Creek Natural Preserve managed by the Pima County Flood Control District. In March 2002, Gila chub were documented in this segment of Cienega Creek. Cienega Creek is the only stream segment that currently has a stable-secure population of Gila chub. Cienega Creek is considered to be one of the finest natural habitats for the Gila chub, and it has very few nonnative fish species. However, recent expansion of bullfrogs within the Santa Rita watershed and within Cienega Creek are raising concerns about their impacts on native fish and leopard frogs (BLM 2001). Fish inventories of Cienega Creek and its tributaries, Mattie Canyon and Empire Gulch, have been conducted since 1989 by seining, electrofishing, and visual observation. Composition of native fish in Cienega Creek varies from its upper to lower reaches as well as from year to year. Fish sampling is difficult in Cienega Creek because of the large volume of vegetation cover, great pool depths, and undercut banks. Visual observation and electrofishing data show that a large population of adult Gila chub occupy all perennial segments of Cienega Creek. Visual observations of adult Gila chub made for the aquatic habitat inventory in 1989–1990 found 368 chub along the perennial length of Cienega Creek. This estimate is undoubtedly low due to water turbidity in some reaches, vegetation cover, and the secretive nature of Gila chub. Cienega Creek contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality.

b. *Mattie Canyon*—3.9 km (2.4 mi) of creek extending from the confluence with Cienega Creek and continuing to the BLM boundary. Gila chub have been observed in Mattie Canyon and were last collected in 1995 by the AGFD. Mattie Canyon contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality.

c. *Empire Gulch*—5.2 km (3.2 mi) of creek extending from the confluence with Cienega Creek upstream through BLM lands. The majority of this reach is on BLM land and contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality. Gila chub were documented in Empire Gulch in 1995 and in 2001 (per. comm. BLM, 2001).

d. *Sabino Canyon*—11.3 km (7.0 mi) of creek extending from the southern boundary of the Coronado National Forest upstream to the confluence with the West Fork of Sabino Canyon in the Coronado National Forest. Sabino Canyon is managed by the Coronado National Forest. Sabino Canyon has recently undergone an extensive habitat restoration project for the Gila chub involving removal of nonnatives. Gila chub were last documented in Sabino Canyon in 2002 by AGFD. Sabino contains one or more of the primary constituent elements, including perennial pools and adequate water quality.

Area 6

Upper Verde River Area—Yavapai County, Arizona. The Upper Verde River Area has two main tributaries; one extends from the confluence of Beaver Creek upstream to the confluence with Oak Creek and the second tributary is at the confluence of Williamson Valley Wash upstream of the Sullivan Lake area. A total of 30.3 km (18.8 mi) of stream are proposed as critical habitat. Silver Creek, Walker Creek, Red Tank Draw, and Williamson Valley Wash, are all tributaries to Oak and Beaver Creeks in the upper Verde River Unit. The Upper Verde River is the very northwestern part of the Gila chub's historic range. Conserving these Gila chub populations will help maintain representation of the species throughout its historic range. As recently as July 2001, Gila chub still existed in Williamson Valley Wash, Spring Creek, and Walker Creek. Surveys conducted in the Upper Verde River in 1998 have shown that all the primary constituent elements are present which help to maintain this existing population.

a. *Walker Creek*—6.8 km (4.2 mi) of creek extending from Forest road 618 crossing at T. 15 N., R. 6 E., Section 33 SE1/4 continuing upstream to T. 141/2 N., R. 6 E., Section 1 SESE. The earliest known collection of Gila chub was in 1978 by Rinne (Weedman 1996). Walker Creek was surveyed in 1994 by AGFD at five different locations; Gila chub were collected at three of those locations. The ephemeral nature of the lower end of Walker Creek appears to be limiting invasion of nonnatives from Wet Beaver Creek (Weedman 1996), thus we believe that Gila chub are still present. Walker Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover.

b. *Red Tank Draw*—10.9 km (6.7 mi) of creek extending from the eastern edge of the Montezuma Castle National Monument continuing upstream to the confluence with Rarick Canyon. Red Tank Draw is an intermittent stream which offers abundant Gila chub habitat in the form of perennial pools. Gila chub were documented in Red Tank Draw in 1995 by AGFD. Red Tank Draw contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover.

c. *Spring Creek*—5.8 km (3.6 mi) of creek extending from T. 16 N., R. 4 E., Section 27 SE1/4 continuing upstream to the crossing of Arizona Highway 89A. Gila chub were documented in 1995 in Spring Creek by ADFG. Spring Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover.

d. *Williamson Valley Wash*—6.8 km (4.2 mi) of creek extending from the gaging station upstream to the crossing of the Williamson Valley Road. In 1990 Williamson Valley Wash was surveyed for Gila chub and on the Matli Ranch a large stretch of stream had perennial water (Gori 1990). Gila chub were collected during this trip on the Matli Ranch. In July 2001, Williamson Valley Wash was resurveyed and Gila chub were abundant (Bryan Bagley pers. comm.). Williamson Valley Wash contains the full range of primary constituent elements necessary for the conservation of the Gila chub.

Area 7

Agua Fria River Area—Yavapai County, Arizona. There are six tributaries in the Agua Fria River in which Gila chub exist; Little Sycamore Creek, Sycamore Creek, Indian Creek, Silver Creek, Larry Creek, and Lousy Canyon. The Agua Fria River Area represents part of the upper northwest area of the historical range of the Gila chub, and current Gila chub populations in the six drainages of this river area are healthy. There have been no reports of any diseases associated with the Gila chub in this unit. Survey results indicate a good representation of all age classes. Gila chub were translocated to Larry Creek and Lousy Canyon as a conservation action in July 1995 (Weedman 1996) by the BLM. The BLM continues to monitor these populations in Lousy Canyon and Larry Creek and has changed their grazing management to help reduce adverse effects to these healthy Gila chub populations. Conserving these Gila chub populations will help maintain representation of the species throughout its historic range. In addition, these populations can be used in future repatriation activities in other areas of the Gila chub historic range.

a. *Little Sycamore Creek*—1.2 km (0.75 mi) of creek extending from the confluence with Sycamore Creek upstream to the Horner Mountain Ranch. Little Sycamore Creek is intermittent most of its reach, and the only perennial pools are 0.8 km (0.5 mi) above the confluence with Sycamore Creek and another 0.4 km (0.25 mi) at a spring above Horner Mountain Ranch. We are proposing to designate the areas where perennial pools exist. Little Sycamore Creek has similar characteristics to Sycamore Creek. Gila chub currently occupy Little Sycamore Creek (pers. obs. Ann Watson, 2002). Gila chub have evolved in very dynamic flow regimes in many southwestern streams and depending on climatic conditions, many streams can dry up in portions leaving small isolated pools. This leads to an intermittent stream however, the Gila chub continues to persist in these small isolated pools until the next flood or monsoon season. Little Sycamore Creek contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality.

b. *Sycamore Creek*—18.5 km (11.5 mi) of creek extending from the Rock Bottom Box continuing upstream to the Nelson Place Spring. Sycamore Creek is perennial throughout most of its length, with the last 3 km (2 mi) being temporally intermittent. Gila chub were last documented in Sycamore Creek during surveys conducted in 1995 (AGFD 1995) and again in May 2002 (USFS 2002). In the 2002 surveys, there were no nonnatives collected and all age classes were represented. Gila chub distribution was limited to the area between the Double T Waterfall and the Rock Bottom Box totaling a length of 5 km (3.0 mi) of habitat. Both of these sites are effective fish barriers and seem to have served to prevent nonnatives from invading this upper section of Sycamore Creek. Due to the remoteness of this area, it is unlikely that additional threats to the existing Gila chub population will be of concern. Livestock grazing is very limited in the upper portion of this reach due to the canyons and inaccessibility to the stream. However, below the fish barriers, livestock have access to these areas. Sycamore Creek contains one or more of the primary constituent elements, including perennial pools, the necessary vegetation that provides cover, and adequate water quality.

c. *Indian Creek*—5.3 km (3.3 mi) of Indian Creek, extending 3.2 km (2 mi) southwest of the Prescott National Forest boundary upstream 1.6 km (1 mi) inside Prescott National Forest. Gila chub were first collected in Indian Creek in May 1995. Since then, surveys have been conducted and Gila chub were observed using this stream (BLM 1999). Indian Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover (per. comm. BLM 2002).

d. *Silver Creek*—6.7 km (4.2 mi) of creek, all of which is located above a natural waterfall/barrier located 4 km (2.5 mi) above the confluence with the Agua Fria River. The earliest record of Gila chub collected in Silver Creek was in 1980. Due to high recruitment of young-of-the-year, Silver Creek was the source of Gila chub that were

translocated to Larry Creek and Lousy Canyon in July 1995. Silver Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover (per. comm. BLM 2002).

e. *Larry Creek*—0.80 km (0.5 mi) of creek from the confluence with an unnamed tributary then continuing upstream approximately 0.80 km (0.5 mi) to the confluence of two unnamed tributaries. In 1995 BLM translocated a population of Gila chub from Silver Creek into Larry Creek and recruitment is good (per. comm. BLM 2002). Larry Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover (per. comm. BLM 2002). In addition, this area is within a canyon and it is inaccessible to cattle due to the geological nature of the canyon which acts as a barrier.

f. *Lousy Canyon*—0.28 km (.18 mi) of creek extending from a waterfall then continuing upstream approximately 0.28 km (0.18 mi) to the fork of an unnamed tributary. In 1995 BLM translocated the second population of Gila chub from Silver Creek into Lousy Canyon. This population of Gila chub is maintaining itself and recruitment is good (per. comm. BLM 2002). In October 2001 AGFD resurveyed this stream and observed an abundant population of Gila chub. Lousy Creek contains one or more of the primary constituent elements, including perennial pools and the necessary vegetation that provides cover (per. comm. BLM 2002). In addition, this area is within a canyon and it is inaccessible to cattle due to the geological nature of the canyon which acts as a barrier.

*Land Ownership*

Area 1

Upper Gila River Area—the ownership is predominantly FS and BLM. Turkey Creek is within the Gila Wilderness Area in the Gila National Forest. Both Eagle and East Eagle Creeks are on the Apache Sitgreaves National Forest. Both Harden Cienega and Dix Creeks are on FS land.

Area 2

Middle Gila River Area—Mineral Creek is on State of Arizona, FS, BLM, and Tribal land.

Area 3

Babocomari River Area—O'Donnell Canyon is owned by TNC and FS. The small portion of Turkey Creek is owned by private landowners and FS. Post Canyon is predominantly private with a small section of BLM.

Area 4

Lower San Pedro River Area—Bass Canyon and Hot Springs Canyon are owned by TNC. The lower end of Hot Springs Canyon is owned by the BLM. Redfield Canyon is owned predominantly by BLM and the State of Arizona with a small parcel of private land near the confluence with Sycamore Canyon.

Area 5

Lower Santa Cruz River Area—Cienega Creek's headwaters are located on 2.5 miles of Forest land and the remaining drainage is comprised predominantly of BLM and Arizona State lands. The lower end of Cienega Creek is owned by Pima County. There is a small segment of this drainage in private ownership. Both the Mattie Canyon and Empire Gulch stream segments are on BLM lands. Sabino Canyon is predominantly FS land.

Area 6

Upper Verde River Area—is comprised of four stream segments. Walker Creek and Red Tank Draw are both are on FS land. Spring Creek is predominantly on private land, with some portions on FS and Arizona State lands. Williamson Valley Wash is all on private land.

Area 7

Agua Fria River Area—is comprised of six stream segments. Little Sycamore and Sycamore Creeks are on FS land. Larry Creek and Lousy Canyon stream segments are both on BLM land. Indian and Silver Creeks landownership is comprised predominantly of BLM and FS land with a small percentage of private land.

*Effect of Critical Habitat Designation*

The designation of critical habitat directly affects only Federal actions. The Act requires Federal Agencies to ensure that actions they fund, authorize, or carry out do not destroy or adversely modify critical habitat to the extent that the action appreciably diminishes the value of the critical habitat for the survival and recovery of the species. Individuals, organizations, States, local and Tribal governments, and other non-Federal entities are only affected by the designation of critical habitat if their actions occur on Federal land, require a Federal permit, license, or other authorization, or involve Federal funding.

Section 7(a) of the Act requires Federal agencies to evaluate their actions with respect to any species that is proposed or listed as endangered or threatened and with respect to its proposed or designated critical habitat. Regulations implementing this interagency cooperation provision of the Act are codified at 50 CFR part 402. Section 7(a)(4) of the Act and regulations at 50 CFR 402.10 require Federal agencies to confer with us on any action that is likely to jeopardize the continued existence of a proposed species or to result in destruction or adverse modification of proposed critical habitat.

If a species is subsequently listed or critical habitat is designated, then section 7(a)(2) requires Federal agencies to ensure that activities they authorize, fund, or carry out are not likely to jeopardize the continued existence of such a species or destroy or adversely modify its critical habitat. To that end, if a Federal action may affect a listed species or its critical habitat, the responsible Federal agency must enter into consultation with us. Regulations at 50 CFR 402.16 also require Federal agencies to reinitiate consultation in instances where we have already reviewed an action for its effects on a listed species if critical habitat is subsequently designated.

Conference on proposed critical habitat results in a report that may provide conservation recommendations to assist the action agency in eliminating or minimizing adverse effects to the proposed critical habitat that may be caused by the proposed agency action. Our conservation recommendations in a conference report are advisory. If we subsequently finalize the proposed critical habitat, consultation on agency actions that may affect the critical habitat will result in a biological opinion as to whether the proposed action is likely to destroy or adversely modify critical habitat. If we find that proposed agency action is likely to destroy or adversely modify the critical habitat, our biological opinion may also include reasonable and prudent alternatives to the action that are designed to avoid destruction or adverse modification of critical habitat.

As a result of conferencing on proposed critical habitat, we may issue a formal conference report if requested by a Federal agency. Formal conference reports on proposed critical habitat contain a biological opinion that is prepared according to 50 CFR 402.14, as if critical habitat were designated as final. We may adopt the formal conference report as the biological opinion when the critical habitat designation is made final, if no significant new information or changes in the action alter the content of the opinion (*see* 50 CFR 402.10 (d)).

Section 4(b)(8) of the Act requires us to describe in any proposed or final regulation that designates critical habitat, a description and evaluation of those activities involving a Federal action that may adversely modify such habitat or that may be affected by such designation. Activities that may destroy or adversely modify critical habitat include those that alter the primary constituent elements (defined above) to an extent that the value of critical habitat for both the survival and recovery of the Gila chub is appreciably reduced.

To properly portray the effects of critical habitat designation, we must first compare the section 7 requirements for actions that may affect critical habitat with the requirements for actions that may affect a listed species. Section 7 prohibits actions funded, authorized, or carried out by Federal agencies from jeopardizing the continued existence of a listed species or destroying or adversely modifying the listed species' critical habitat. Actions likely to ''jeopardize the continued existence'' of a species are those that would appreciably reduce the likelihood of the species' survival and recovery. Actions likely to ''destroy or adversely modify'' critical habitat are those that would appreciably reduce the value of critical habitat for the survival and recovery of the listed species.

Common to both definitions is an appreciable detrimental effect on both survival and recovery of a listed species. Given the similarity of these definitions, and the current occurrences of the species limited to 10–15% of its historic range, actions likely to destroy or adversely modify critical habitat would almost always result in jeopardy to the species concerned, particularly when the area of the proposed action is occupied by the species concerned.

Federal actions that might occur on private, State, or Tribal lands and which may require consultation might include, but are not limited to, irrigation diversion construction and maintenance; flood repair and control; game fish stocking; timber harvest; water diversion and development; reservoir construction; water quality standards; and riparian habitat restoration. Federal agencies involved with these activities are likely to include the Natural Resources Conservation Service, Bureau of Reclamation, Environmental Protection Agency (EPA), Bureau of Indian Affairs, Indian Health Services, Federal Emergency Management Agency, Federal Communications Commission, BLM, FS, and the Service.

Federal actions involving issuance of permits to private parties which may require consultation might include, but are not limited to, issuance of National Pollution Discharge Elimination System permits by the EPA and issuance of permits under section 404 of the Clean Water Act for dredging and filling in waterways by the Corps. Examples of private actions for which 404 permits may be sought include road and bridge construction, repair and maintenance; gravel mining; flood control and repair; and water diversion construction and repair.

For Federal lands, as well as for Federal activities on private, State, or Tribal lands, the following types of activities may require Section 7 consultation.

Any activity that would alter the minimum flow or the natural flow regime of any of the proposed designated stream segments. Such activities may include, but are not limited to, groundwater pumping, impoundment, water diversion, and hydropower generation.

Any activity that might alter watershed characteristics of any of the proposed designated segments. Such activities may include, but are not limited to, vegetation manipulation (*e.g.,* prescribed burns, timber harvest, road construction and maintenance, and naturally ignited fire (*e.g.,* lighting), livestock grazing, and mining).

Any activity that would significantly alter the channel morphology of any of the proposed designated stream segments. Such activities may include, but are not limited to, channelization; impoundment; road and bridge construction; removal of substrate source; destruction and alteration of riparian vegetation; reduction of available floodplain; removal of gravel or floodplain terrace materials; and sedimentation from mining, livestock grazing, road construction, timber harvest, off-road vehicle use, and other watershed and floodplain disturbance.

Any activity that would alter the water chemistry in any of the proposed designated stream segments. Such activities may include, but are not limited to, release of chemical or biological pollutants into the surface waters or connected groundwater at a point source or by dispersed release (non-point).

Any activity that would introduce, spread or augment nonnative aquatic species into any of the proposed designated stream segments. Such activities may include, but are not limited to, stocking for sport, aesthetics, biological control, or other purposes; use of live bait fish, aquaculture, or dumping of aquarium fish or other species; construction and operation of canals; and interbasin water transfers (*i.e.* CAP aqueduct).

In some cases designation of critical habitat may assist in focusing conservation activities by identifying areas that contain essential habitat features (primary constituent elements), regardless of whether they are currently occupied by the listed species. This identification alerts the public and land management agencies to the importance of an area in the conservation of that species. Critical habitat also identifies areas that may require management considerations or protection.

If you have any questions regarding whether specific activities will likely constitute destruction or adverse modification of critical habitat, contact the Field Supervisor, Arizona Ecological Services Office (*see* **ADDRESSES** section). Requests for copies of the regulations on listed wildlife and inquiries about permits may be addressed to the U.S. Fish and Wildlife Service, Division of Endangered Species, P.O. Box 1306, Albuquerque, New Mexico 87103 (telephone 505–248–6920; facsmile 505–248–6788).

**Available Conservation Measures**

Conservation measures provided to species listed as endangered or threatened under the Act include recognition, recovery actions, requirements for Federal protection, and prohibitions against certain practices. Recognition through listing encourages and results in public awareness and conservation actions by Federal, State, and local agencies private organizations, and individuals. The Act provides for possible land acquisition and cooperation with the States and requires that recovery actions be carried out for all listed species. The protection required of Federal agencies and the prohibitions against taking and harm are discussed, in part, below.

Section 7(a) of the Act, as amended, requires Federal agencies to evaluate their actions with respect to any species that is proposed or listed as endangered or threatened and with respect to its critical habitat, if any is being designated. Regulations implementing this interagency cooperation provision of the Act are codified at 50 CFR part 402. Section 7(a)(4) requires Federal agencies to confer with the Service on any action that is likely to jeopardize the continued existence of a species proposed for listing or result in destruction or adverse modification of proposed critical habitat. If a species is listed or critical habitat is designated, section 7(a)(2) requires Federal agencies

to ensure that activities they authorize, fund, or carry out are not likely to jeopardize the continued existence of such a species or to destroy or adversely modify its critical habitat. If a Federal action may affect a listed species or its critical habitat, the responsible Federal agency must enter into formal consultation with the Service.

The Gila chub occurs primarily on Federal lands managed by Coronado, Apache-Sitgreaves, Tonto, Prescott, Coconino, and Gila National Forests; and by the BLM. Examples of Federal actions that may affect the Gila chub include, but are not limited to, dredge-and-fill activities, livestock grazing programs, construction and maintenance of stock tanks (pond), logging and other vegetation manipulation activities, flood protection and repair measures, channelization, water development, construction and management of recreation sites, road and bridge construction and maintenance, fish stocking, issuance of rights-of-way, prescribed fire, and discretionary actions authorizing mining. These and other Federal actions would require section 7 consultation if the action agency determines that the proposed action may affect listed species.

Also subject to section 7 consultation are development activities on private and State lands when such activity is conducted by, funded by, or permitted by a Federal agency. Examples include permits issued under section 404 or 402 of the Clean Water Act from the Corps or the EPA respectively. Federal actions not affecting the species, as well as actions on private lands that are not federally funded or permitted, would not require section 7 consultation.

The Act and its implementing regulations set forth a series of general prohibitions and exceptions that apply to all endangered wildlife. These prohibitions, codified at 50 CFR 17.21, in part, make it illegal for any person subject to the jurisdiction of the United States to take (including harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect; or attempt any of these), import or export, ship in interstate commerce in the course of a commercial activity, or sell or offer for sale in interstate or foreign commerce any listed species. It is also illegal to possess, sell, deliver, carry, transport, or ship any wildlife that has been taken illegally. Certain exceptions apply to agents of the Service and State conservation agencies.

Permits may be issued to carry out otherwise prohibited activities involving endangered wildlife species under certain circumstances. Regulations governing permits for endangered species are codified at 50 CFR 17.22 and 17.23. Such permits are available for scientific purposes, to enhance the propagation or survival of the species, and/or for incidental take in connection with otherwise lawful activities. Requests for copies of the regulations regarding listed wildlife and inquires about permits may be addressed to U.S. Fish and Wildlife Service Branch of Endangered Species, P.O. Box 1306, Albuquerque, NM 87103 (505) 248–6657 fax (505) 248–6922.

Its our policy, published in the **Federal Register** on July 1, 1994 (59 FR 34272), to identify to the maximum extent practicable those activities that would not constitute a violation of section 9 of the Act. The intent of this policy is to increase public awareness as to the effects of this proposed listing on future and ongoing activities within the species' range. We believe, based on the best available information, that the following actions will not result in a violation of section 9:

(1) Actions that may affect the Gila chub that are authorized, funded, or carried out by a Federal agency when the action is conducted in accordance with an incidental take statement issued by us pursuant to section 7 of the Act, or for which such action will not result in take;

(2) Actions that may result in take of Gila chub when the action is conducted in accordance with a permit under section 10 of the Act;

(3) Recreational activities such as hiking, off-road vehicles use, camping and hunting in the vicinity of occupied Gila chub habitat that do not destroy or significantly degrade Gila chub habitat, and do not result in take of Gila chub;

(4) Release, diversion, or withdrawal of water from or near Gila chub habitat in a manner that does not displace or result in dessication or death of eggs, larvae, or adults, does not disrupt spawning activities, or does not favor introduction of nonnative predators; and does not alter vegetation.

Potential activities involving this species that we believe will likely be considered a violation of section 9 include, but are not limited to, the following:

(1) Unauthorized collection, capture, or handling of the species;

(2) Intentional introduction of nonnative predators such as nonnative fish and crayfish, into occupied Gila chub habitat;

(3) Water diversion, groundwater pumping, water releases or other water management activities that result in displacement of eggs, larvae, or adults, disruption of spawning activities, introduction of nonnative predators, or significant alteration of vegetation within occupied Gila chub habitat;

(4) Discharge or dumping of hazardous materials, silt, or other pollutants into waters supporting Gila chub;

(5) Possession, sale, delivery, transport, or shipment of illegally taken Gila chub;

(6) Actions that take Gila chub that are not authorized by either a permit under section 10 of the Act or an incidental take statement under section 7 of the Act, or are not exempted from the section 9 take prohibitions; and

(7) Recreational activities such as hiking, off-road vehicles use, camping and hunting in the vicinity of occupied Gila chub habitat that destroy or significantly degrade Gila chub habitat, and result in take of Gila chub.

Not all the activities mentioned above will result in a violation of section 9 of the Act; only those activities which result in ''take'' of Gila chub would be considered violations of section 9. We will review other activities not identified above on a case by case basis to determine whether they may be likely to result in violation of section 9 of the Act.

If you have questions regarding whether specific activities will likely violate section 9, contact the Arizona Ecological Services Field Office (*see* **ADDRESSES** section).

**Economic Analysis**

Section 4(b)(2) of the Act requires that we designate critical habitat on the basis of the best scientific and commercial information available and consider the economic and other relevant impacts of designating a particular area as critical habitat. We based this proposal on the best available scientific information. We will use the economic analysis, and take into consideration all comments and information submitted during the comment period, to make a final critical habitat designation. We may exclude areas from critical habitat upon a determination that the benefits of exclusion outweigh the benefits of specifying an area as critical habitat. We cannot exclude areas from critical habitat when the exclusion will result in extinction of the species. We will conduct a robust economic analysis on the effects of the proposed critical habitat designation prior to a final determination. Our economic analysis will comply with the ruling by the Tenth Circuit Court of Appeals in *New Mexico Cattle Growers Association, et al.* v. *U.S. Fish and Wildlife Service.* When the draft economic analysis is completed, we will announce its

availability with a notice in the **Federal Register**, and we will reopen the comment period at that time to accept comments on the economic analysis and further comments on the proposed rule.

**Secretarial Order 3206: American Indian Tribal Rights, Federal-Tribal Trust Responsibilities, and the Endangered Species Act**

The purpose of Secretarial Order 3206 (Secretarial Order) is to, ''clarif(y) the responsibilities of the component agencies, bureaus, and offices of the Department of the Interior and the Department of Commerce, when actions taken under authority of the Act and associated implementing regulations affect, or may affect, Indian lands, tribal trust resources, or the exercise of American Indian tribal rights.'' If there is potential that a tribal activity could cause either direct or incidental take of a species proposed for listing under the Act, then meaningful government-to-government consultation will occur to try to harmonize the Federal trust responsibility to tribes and tribal sovereignty with our statutory responsibilities under the Act. The Secretarial Order also requires us to consult with tribes if the designation of an area as critical habitat might impact tribal trust resources, tribally owned fee lands, or the exercise of tribal rights. We met with representatives of the San Carlos Apache Indian Tribe, and a draft fisheries management plan has been prepared (*see ''Application of the Section 3(5)(A) Criteria Regarding Special Management Considerations or Protection''* section above).

**Public Comment Solicited**

We intend that any final action resulting from this proposal will be as accurate and as effective as possible. Therefore, comments or suggestions from the public, other concerned governmental agencies, the scientific community, industry, or any other interested party concerning this proposed rule are hereby solicited. Comments particularly are sought concerning:

(1) Biological, commercial trade, or other relevant data concerning any threat (or lack thereof) to the Gila chub;

(2) The location of any additional populations of the Gila chub and the reasons why any habitat should or should not be determined to be critical habitat pursuant to section 4 of the Act;

(3) Additional information concerning the range, distribution, and population size of the Gila chub;

(4) Current or planned activities in the subject area and their possible effects on the Gila chub; and

(5) Information relating to the status of all non-native fish in the historic range of the Gila chub.

Prior to making a final determination on this proposed rule, we will take into consideration the comments and any additional information received, and such communications may lead to a final regulation that differs from this proposal.

The Act provides for one or more public hearings on this proposal, if requested. Requests must be received within 45 days of the date of publication of the proposal in the **Federal Register**. Such requests must be made in writing and be addressed to the Field Supervisor (*see* **ADDRESSES** section).

**Clarity of the Rule**

Executive Order 12866 requires each agency to write regulations/notices that are easy to read and understand. We invite your comments on how to make this proposed rule easier to understand including answers to questions such as the following: (1) Are the requirements in the proposed rule clearly stated? (2) does the proposed rule contain technical language or jargon that interferes with the clarity? (3) does the format of the proposed rule (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce its clarity? (4) is the description of the proposed rule in the **SUPPLEMENTARY INFORMATION** section of the preamble helpful in understanding the proposed rule? What else could we do to make the proposed rule easier to understand?

Send a copy of any comments that concern how we could make this proposed rule easier to understand to: Office of Regulatory Affairs, Department of the Interior, Room 7229, 1849 C Street, NW, Washington, DC 20240. You may e-mail your comments to this address: *Exsec@ios.doi.gov.*

**Required Determinations**

*Regulatory Planning and Review*

In accordance with Executive Order 12866, the proposed designation of critical habitat in this document is a significant rule and has been reviewed by the Office of Management and Budget (OMB). Under section 4(b)(1)(A) of the Act, the Secretary is to make listing proposals solely on the basis of the best scientific and commercial data available, after conducting a review of the status of the species and taking into account any efforts being made to protect the species. Therefore, our analyses under E.O. 12866 and the Regulatory Flexibility Act pertain only to the proposed critical habitat portion of this rule, and not to the proposed listing. Under section 4(b)(2) of the Act, the Secretary is to designate critical habitat based on the best scientific data available and after taking into consideration the economic impact and any other relevant impact of specifying any particular area as critical habitat.

*Regulatory Flexibility Act*

Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*, as amended by the Small Business Regulatory Enforcement Act (SBREFA) of 1996), whenever an agency is required to publish a notice of rulemaking for any proposed or final rule, it must prepare and make available for public comment a regulatory flexibility analysis that describes the effects of the rule on small entities (*i.e.,* small businesses, small organizations, and small government jurisdictions). However, no regulatory flexibility analysis is required if the head of the agency certifies the rule will not have a significant economic impact on a substantial number of small entities. SBREFA amended the Regulatory Flexibility Act (RFA) to require Federal agencies to provide a statement of the factual basis for certifying that the rule will not have a significant economic effect on a substantial number of small entities. SBREFA also amended the RFA to require a certification statement. In today's proposed rule, we are certifying that the proposed designation of critical habitat will not have a significant effect on a substantial number of small entities. The following discussion explains our rationale.

The Small Business Administration (*http://www.sba.gov/size*) defines small entities to include small organizations, such as independent non-profit organizations, and small governmental jurisdictions, including school boards and city and town governments that serve fewer than 50,000 residents, as well as small businesses. Small businesses include manufacturing and mining concerns with fewer than 500 employees, wholesale trade entities with fewer than 100 employees, retail and service businesses with less than $5 million in annual sales, general and heavy construction businesses with less than $27.5 million in annual business, special trade contractors doing less than $11.5 million in annual business, and agricultural businesses with annual sales less than $750,000. To determine if potential economic impacts to these small entities are significant, we consider the types of activities that might trigger regulatory impacts under this rule as well as the types of project modifications that may result. In general, the term ''significant economic impact'' is meant to apply to a typical

small business firm's business operations.

To determine if a rule designating critical habitat would affect a substantial number of small entities, we consider the number of small entities affected within particular types of economic activities (*e.g.,* housing development, grazing, oil and gas production, timber harvesting, *etc.*). We apply the ''substantial number'' test individually to each industry to determine if certification is appropriate. In some circumstances, especially with proposed critical habitat designations of very limited extent, we may aggregate across all industries and consider whether the total number of small entities affected is substantial. In estimating the numbers of small entities potentially affected, we also consider whether their activities have any Federal involvement; some kinds of activities are unlikely to have any Federal involvement and so will not be affected by critical habitat designation.

Designation of critical habitat only affects activities conducted, funded, or permitted by Federal agencies; private or State activities are not affected by the designation unless they have a Federal nexus. If the listing of the Gila chub is finalized, Federal agencies will be required to consult with us under section 7 of the Act on activities that they fund, permit, or implement that may affect the Gila chub. If this proposed critical habitat designation is finalized, Federal agencies must also consult with us if their activities may affect designated critical habitat. However, we do not believe this will result in any significant additional regulatory burden on Federal agencies or their applicants because consultation would already be required due to the presence of this species proposed for listing which presently occurs in most of the stream reaches proposed for critical habitat, and the duty to avoid adverse modification of critical habitat would not trigger additional regulatory impacts beyond the duty to avoid jeopardizing the species.

Because this species has not been listed, there is no history of consultations. Therefore, for the purposes of this review and certification under the Regulatory Flexibility Act, we are assuming that any future consultations in the area proposed as critical habitat will be due to the listing and critical habitat designation. The areas where critical habitat designations are being proposed are largely being managed for the benefit of wildlife. Projected land uses for the majority of the proposed critical habitat consists of habitat improvement projects (*i.e.,* riparian restoration, watershed improvement, and prescribed burning), wildlife management, livestock grazing permits, and recreational use (*i.e.,* hunting, bird watching, and hiking).

On non-Federal lands, activities that lack Federal involvement would not be affected by the critical habitat designation. Activities of an economic nature that are most likely to occur on non-Federal lands in the area encompassed by this proposed designation are recreation-related activities (*i.e.,* hiking, trail construction, hunting, bird watching, and fishing) and residential development, particularly in the Williamson Valley Wash area near Prescott, Arizona.

We also considered the likelihood that this proposed designation of critical habitat would result in significant economic impacts to small entities. In general, two different mechanisms in section 7 consultations could lead to additional regulatory requirements for small entities who are usually applicants for Federal permits. First, if we conclude, in a biological opinion, that a proposed action is likely to jeopardize the continued existence of a species or adversely modify its critical habitat, we can offer ''reasonable and prudent alternatives.'' Reasonable and prudent alternatives are alternative actions that can be implemented in a manner consistent with the scope of the Federal agency's legal authority and jurisdiction, that are economically and technologically feasible, and that would avoid jeopardizing the continued existence of listed species or resulting in adverse modification of critical habitat. A Federal agency and an applicant may elect to implement a reasonable and prudent alternative associated with a biological opinion that has found jeopardy or adverse modification of critical habitat. An agency or applicant could alternatively choose to seek an exemption from the requirements of the Act or proceed without implementing the reasonable and prudent alternative. However, unless an exemption were obtained, the Federal agency or applicant would be at risk of violating section 7(a)(2) of the Act if it chose to proceed without implementing the reasonable and prudent alternatives. Secondly, if we find that a proposed action is not likely to jeopardize the continued existence of a listed species, we may identify reasonable and prudent measures designed to minimize the amount or extent of take and require the Federal agency or applicant to implement such measures through non-discretionary terms and conditions. We may also identify discretionary conservation recommendations designed to minimize or avoid the adverse effects of a proposed action on listed species or critical habitat, help implement recovery plans, or to develop information that could contribute to the recovery of the species.

Based on our experience with section 7 consultations for all listed species, virtually all projects—including those that, in their initial proposed form, would result in jeopardy or adverse modification determinations in section 7 consultations—can be implemented successfully with, at most, the adoption of reasonable and prudent alternatives. These measures must be economically feasible and within the scope of authority of the Federal agency involved in the consultation. As we have no consultation history for the Gila chub, we can only describe the general kinds of actions that may be identified in future reasonable and prudent alternatives. These are based on our understanding of the needs of the species and the threats it faces. The kinds of actions that may be included in future reasonable and prudent alternatives include monitoring livestock grazing in riparian areas with such stipulations as restricting livestock grazing during critical periods (*i.e.,* breeding, migration), control of exotic weeds in spring areas, water conservation measures (*e.g.,* planting native vegetation) and maintenance of minimum flows, minimize the adverse affects to the watershed by proper placement of new roads, and suspended or restricted use of pesticides or herbicides in areas occupied by and necessary for the survival and recovery of this species. Because recommended reasonable and prudent alternative measures must be economically feasible, these measures are not likely to result in a significant economic impact to a substantial number of small entities.

As required under section 4(b)(2) of the Act, we will conduct an analysis of the potential economic impacts of this proposed critical habitat designation, and will make that analysis available for public review and comment before finalizing this designation. However, a court deadline require us to publish this proposed rule before the economic analysis can be completed. We will also revisit our determination above in light of any new information provided to us through the economic analysis or through the public comment period.

In summary, we have considered whether this proposed designation of critical habitat would result in a significant economic effect on a substantial number of small entities. It would not affect a substantial number of small entities. Many of the parcels

within this designation are located in areas where likely future land uses would not be affected by designation of critical habitat. The majority of areas designated as critical habitat are on Federal land and a very small percentage (3%) is on privately owned land. In the remaining areas, Federal involvement—and thus section 7 consultations, the only trigger for economic impact due to the proposed designation of critical habitat—would be limited to a subset of the area proposed. The most likely future section 7 consultations resulting from this rule would be for habitat improvement projects (*i.e.,* riparian restoration, prescribed burning, and watershed improvements), permitting of livestock grazing, residential development, and recreational use. The proposed designation of critical habitat would result in project modifications only when proposed Federal activities, or non-Federal activities with a Federal nexus, would destroy or adversely modify critical habitat. While this may occur, it is not expected frequently enough to affect a substantial number of small entities. Even when it does occur, we do not expect it to result in a significant economic impact, as the measures included in reasonable and prudent alternatives must be economically feasible and consistent with the proposed action. Therefore, we are certifying that the proposed designation of critical habitat for the Gila chub will not have a significant economic impact on a substantial number of small entities, and an initial regulatory flexibility analysis is not required.

*Federalism*

In accordance with Executive Order 13132, this rule does not have significant Federalism effects. A Federalism assessment is not required. In keeping with Department of the Interior policy, we requested information from and coordinated development of this proposal with appropriate resource agencies in New Mexico and Arizona. We will continue to coordinate any future listing decisions or designation of critical habitat for the Gila chub with the appropriate Federal, State, and local agencies. Designation of critical habitat only affects activities conducted, funded, or permitted by Federal agencies; non-Federal activities are not affected by the designation if they lack Federal involvement. In areas occupied by the Gila chub, Federal agencies funding, permitting, or implementing activities will be required, if this species is listed, through consultation with us under section 7 of the Act, to avoid jeopardizing their continued existence. If this critical habitat designation is finalized, Federal agencies also must ensure, also through consultation with us, that their activities do not destroy or adversely modify designated critical habitat.

In unoccupied areas, or areas of uncertain occupancy, designation of critical habitat could trigger additional review of Federal activities under section 7 of the Act, and may result in additional requirements on Federal activities to avoid destroying or adversely modifying critical habitat. Any development that lacked Federal involvement would not be affected by the critical habitat designation. Should a federally funded, permitted, or implemented project be proposed that may affect designated critical habitat, we will work with the Federal action agency and any applicant, through section 7 consultation, to identify ways to implement the proposed project while minimizing or avoiding any adverse effect to the species or critical habitat. In our experience, the vast majority of such projects can be successfully implemented with at most minor changes that avoid significant economic impacts to project proponents.

The designations may have some benefit to these governments in that the areas essential to the conservation of these species are more clearly defined, and the primary constituent elements of the habitat necessary to the survival of these species are specifically identified. While our definition and identification does not alter where and what federally sponsored activities may occur, these determinations may assist these local governments in long-range planning (rather than waiting for case-by-case section 7 consultations to occur).

*Takings*

In accordance with Executive Order 12630 (''Government Actions and Interference with Constitutionally Protected Private Property Rights''), we have analyzed the potential takings implications of the proposed listing and designation of critical habitat for the Gila chub. The takings implications assessment concludes that this proposed rule does not pose significant takings implications. A copy of this assessment is available by contacting the Arizona Ecological Services Field Office (*see* **ADDRESSES** section).

*Unfunded Mandates Reform Act (2 U.S.C. 1501 et seq.)*

In accordance with the Unfunded Mandates Reform Act (2 U.S.C. 1501 *et seq.*), the Service will use the economic analysis to further evaluate this situation.

*Civil Justice Reform*

In accordance with Executive Order 12988, the Office of the Solicitor has determined that this rule would not unduly burden the judicial system and would meet the requirements of sections 3(a) and 3(b)(2) of the Order. We propose to list the Gila chub and designate critical habitat in accordance with the provisions of the Act. The rule uses standard property descriptions and identifies the primary constituent elements within the designated areas to assist the public in understanding the habitat needs of the Gila chub.

*Executive Order 13211*

On May 18, 2001, the President issued Executive Order 13211 on regulations that significantly affect energy supply, distribution, and use. Executive Order 13211 requires agencies to prepare Statements of Energy Effects when undertaking certain actions. Although this rule is a significant action under Executive Order 12866, it is not expected to significantly affect energy supplies, distribution, or use since the majority of the lands being proposed as critical habitat occur on lands that are primarily used for recreational, agricultural, and timber harvesting uses, and not energy production or distribution. Therefore, this action is not a significant energy action and no Statement of Energy Effects is required.

*Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.)*

This rule does not contain any new collections of information other than those already approved under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*, and assigned Office of Management and Budget Control Number 1018–0094, which expires on July 31, 2004. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid Control Number. For additional information concerning permit and associated requirements for endangered species, *see* 50 CFR 17.22.

*National Environmental Policy Act*

It is our position that, outside the Tenth Circuit, we do not need to prepare environmental analyses as defined by the NEPA in connection with designating critical habitat under the Endangered Species Act of 1973, as amended. We published a notice outlining our reasons for this determination in the **Federal Register**

on October 25, 1983 (48 FR 49244). This assertion was upheld in the courts of the Ninth Circuit (*Douglas County* v. *Babbitt,* 48 F.3d 1495 (9th Cir. Ore. 1995), cert. denied 116 S. Ct. 698 (1996). However, when the range of the species includes States within the Tenth Circuit, such as that of the Gila chub, pursuant to the Tenth Circuit ruling in *Catron County Board of Commissioners* v. *U.S. Fish and Wildlife Service,* 75 F.3d 1429 (10th Cir. 1996), we will undertake a NEPA analysis for critical habitat designation and notify the public of the availability of the draft environmental assessment for this proposal when it is finished.

*Government-to-Government Relationship With Tribes*

In accordance with the Secretarial Order 3206, ''American Indian Tribal Rights, Federal-Tribal Trust Responsibilities, and the Endangered Species Act'' (June 5, 1997), the President's memorandum of April 29, 1994, ''Government-to-Government Relations with Native American Tribal Governments'' (59 FR 22951), Executive Order 13175, and the Department of the Interior's requirement at 512 DM 2, we understand that recognized Federal Indian Pueblos and Tribes must be related to on a Government-to-Government basis. As mentioned above, we have proposed critical habitat on the Blue River and Upper Bonita Creek of the San Carlos Apache Reservation. However, the San Carlos Indian Apache Tribe has a draft fisheries management plan which we anticipate being finalized prior to our final determination on this proposed rule. We will continue to work with the San Carlos Tribe in an effort to finalize the fisheries management plan that addresses the conservation needs of the Gila chub. Once completed we will consider whether this plan provides adequate special management considerations or protection for the Gila chub and we may not include these lands as a result of the management plan, or we will weigh the benefits of excluding these areas under section 4(b)(2).

*References Cited*

A complete list of all references cited herein is available upon request from the Arizona Ecological Services Field Office (*see* **ADDRESSES** section).

*Author*

The primary author of this notice is Ann Watson (*see* **FOR FURTHER INFORMATION CONTACT**).

**List of Subjects in 50 CFR Part 17**

Endangered and threatened species, Exports, Imports, Reporting and recordkeeping requirements, Transportation.

**Proposed Regulation Promulgation**

Accordingly, we propose to amend Part 17, subchapter B of chapter I, title 50 of the Code of Federal Regulations, as set forth below:

## PART 17— [AMENDED]

1. The authority citation for part 17 continues to read as follows:

**Authority:** 16 U.S.C. 1361–1407; 16 U.S.C. 1531–1544; 16 U.S.C. 4201–4245; Pub. L. 99–625, 100 Stat. 3500; unless otherwise noted.

2. Amend Section 17.11(h) by adding the following in alphabetical order, under ''FISHES'', to the List of Endangered and Threatened Wildlife:

**§ 17.11 Endangered and threatened wildlife.**

* * * * *

(h) * * *

| Species | | Historic range | Vertebrate population where endangered or threatened | Status | When listed | Critical habitat | Special rules |
|---|---|---|---|---|---|---|---|
| Common name | Scientific name | | | | | | |
| * | * | * | * | * | * | | * |
| FISHES | | | | | | | |
| * | * | * | * | * | * | | * |
| Chub, Gila | *Gila intermedia* | U.S.A. (AZ, NM), Mexico. | Entire | E | NA | 17.95(e) | NA |
| * | * | * | * | * | * | | * |

3. Amend Section 17.95 (e) by adding critical habitat for the Gila chub in the same alphabetical order as this species occurs in 17.11 (h).

**§ 17.95 Critical habitat—fish and wildlife.**

* * * * *

(e) *Fishes.*

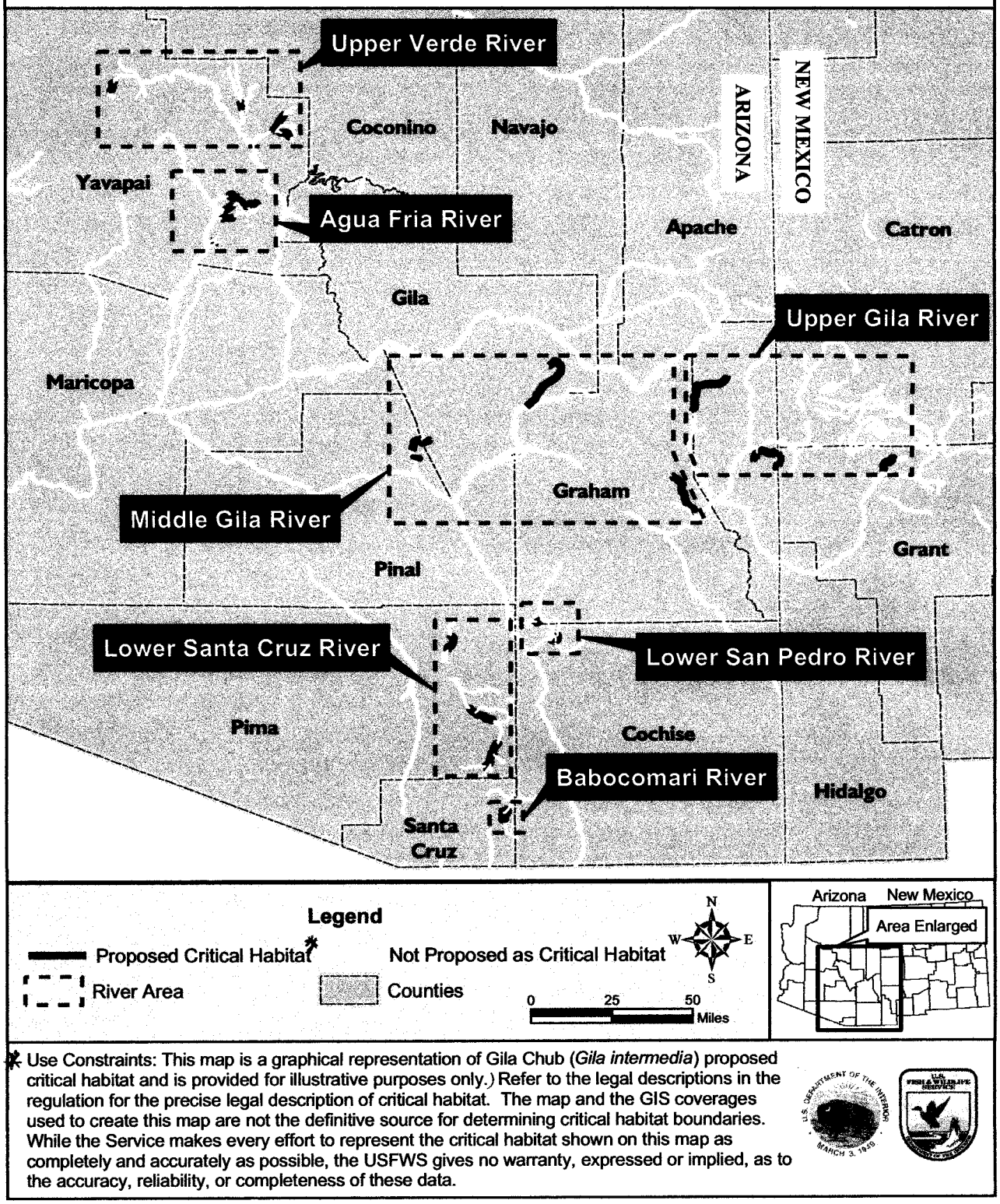
* * * * *

**Gila chub (*Gila intermedia*)**

1. Critical habitat for the Gila chub in New Mexico and Arizona is depicted on the following overview map and as described in detail following the map.

BILLING CODE 4310–55–P

**Overview of Areas Containing Proposed Critical Habitat for the Gila Chub (*Gila intermedia*).**




* Use Constraints: This map is a graphical representation of Gila Chub (*Gila intermedia*) proposed critical habitat and is provided for illustrative purposes only.) Refer to the legal descriptions in the regulation for the precise legal description of critical habitat. The map and the GIS coverages used to create this map are not the definitive source for determining critical habitat boundaries. While the Service makes every effort to represent the critical habitat shown on this map as completely and accurately as possible, the USFWS gives no warranty, expressed or implied, as to the accuracy, reliability, or completeness of these data.

*Upper Gila River Area 1*

a. Turkey Creek (NM)—11.8 km (7.3 mi) of creek extending from the edge of the Gila Wilderness boundary in NMPM T.4 S., R. 16 W. Section 15 NW ¼, continuing upstream to the eastern boundary of Section 25 in T.3 S., R.15 W Section 19 SE ¼.

Land ownership: Gila National Forest

b. Eagle Creek and East Eagle Creek—35.2 km (21.8 mi) of creek extending from T. 1 S., R. 28 E., Section 31 SW ¼ corner of section continuing upstream to its headwaters just south of highway 191 in T. 3 ½ N., R. 29 E., Section 34 NW ¼.

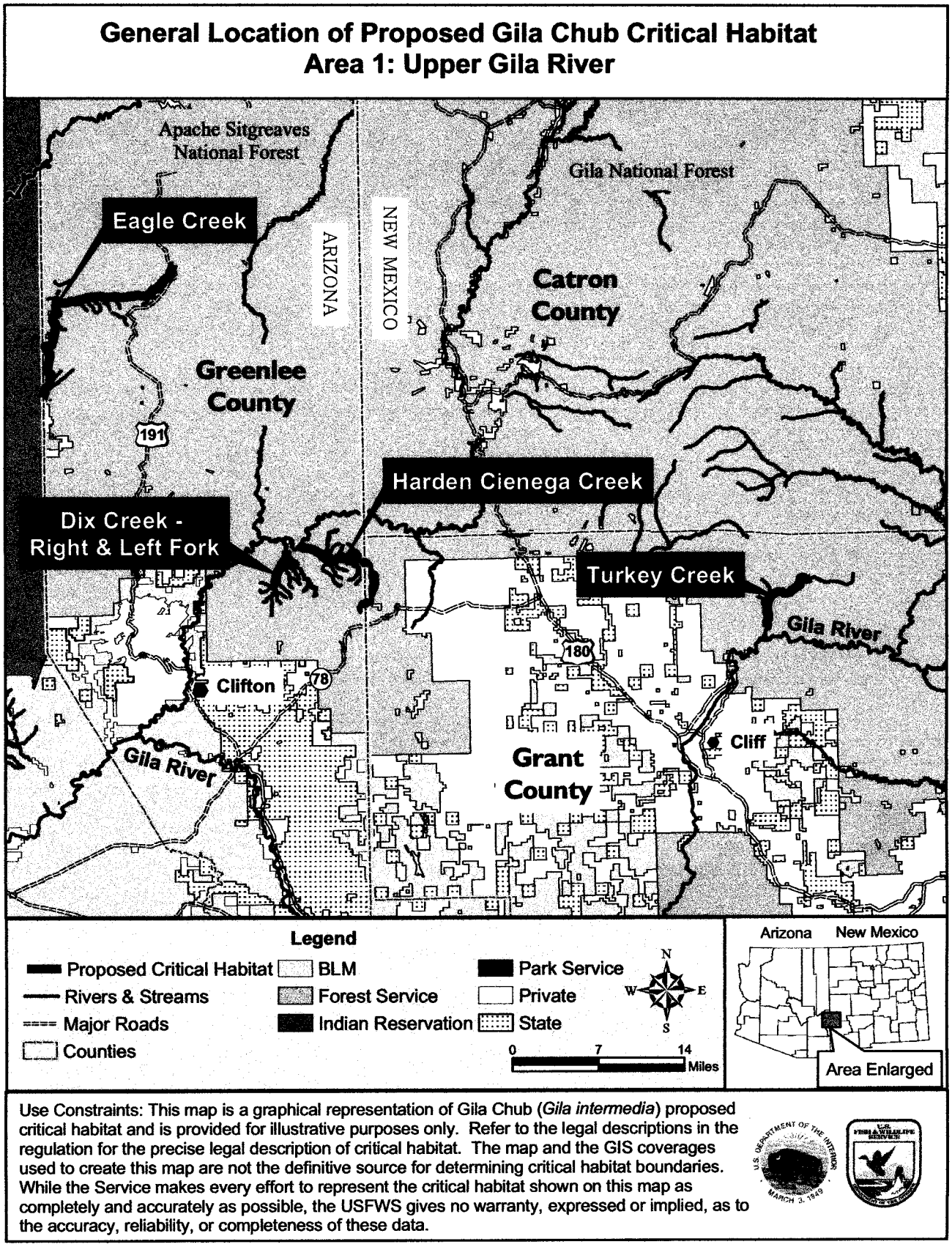
Land ownership: Apache Sitgreaves National Forest and private

c. Harden Cienega Creek—22.1 km (13.7 mile) upstream from the confluence with the San Francisco River in GSRM, T. 3 S., R.31 E. Section 3 SE ¼, continuing upstream to the headwaters in T.3 S., R.32 E. Section 33 NW ¼ approximately 14.4 km (9.0 mi).

Land ownership: Apache Sitgreaves and Gila National Forest

d. Dix Creek—beginning 1 mile upstream from the confluence of Dix Creek and the San Francisco River at a natural rock barrier in T. 3 S. R., 31 E., Section 9 NE¼ continuing upstream for 0.8 km (0.5 mi) to the confluence of the right and left forks of Dix Creek in T. 3 S., R. 31 E., Section 9 SE ¼. Then continuing upstream 3.2 km (2 mi) in the right fork to T. 3 S., R. 31 E. Section 17 SE ¼ and continuing upstream 4.0 km (2.5) mi in the left fork to T. 3 S., R. 32 E. Section 25 SE ¼.

Land ownership: Apache Sitgreaves National Forest




Use Constraints: This map is a graphical representation of Gila Chub (*Gila intermedia*) proposed critical habitat and is provided for illustrative purposes only. Refer to the legal descriptions in the regulation for the precise legal description of critical habitat. The map and the GIS coverages used to create this map are not the definitive source for determining critical habitat boundaries. While the Service makes every effort to represent the critical habitat shown on this map as completely and accurately as possible, the USFWS gives no warranty, expressed or implied, as to the accuracy, reliability, or completeness of these data.

*Middle Gila River Area 2*

a. Mineral Creek—14.4 km (9.0 mi) of creek extending from the confluence with Devil's Canyon in T.3 S., R. 13 E., Section 35 NW ¼ continuing upstream to its headwaters in T.2 S., R.14 E., Section 15 NE ¼.

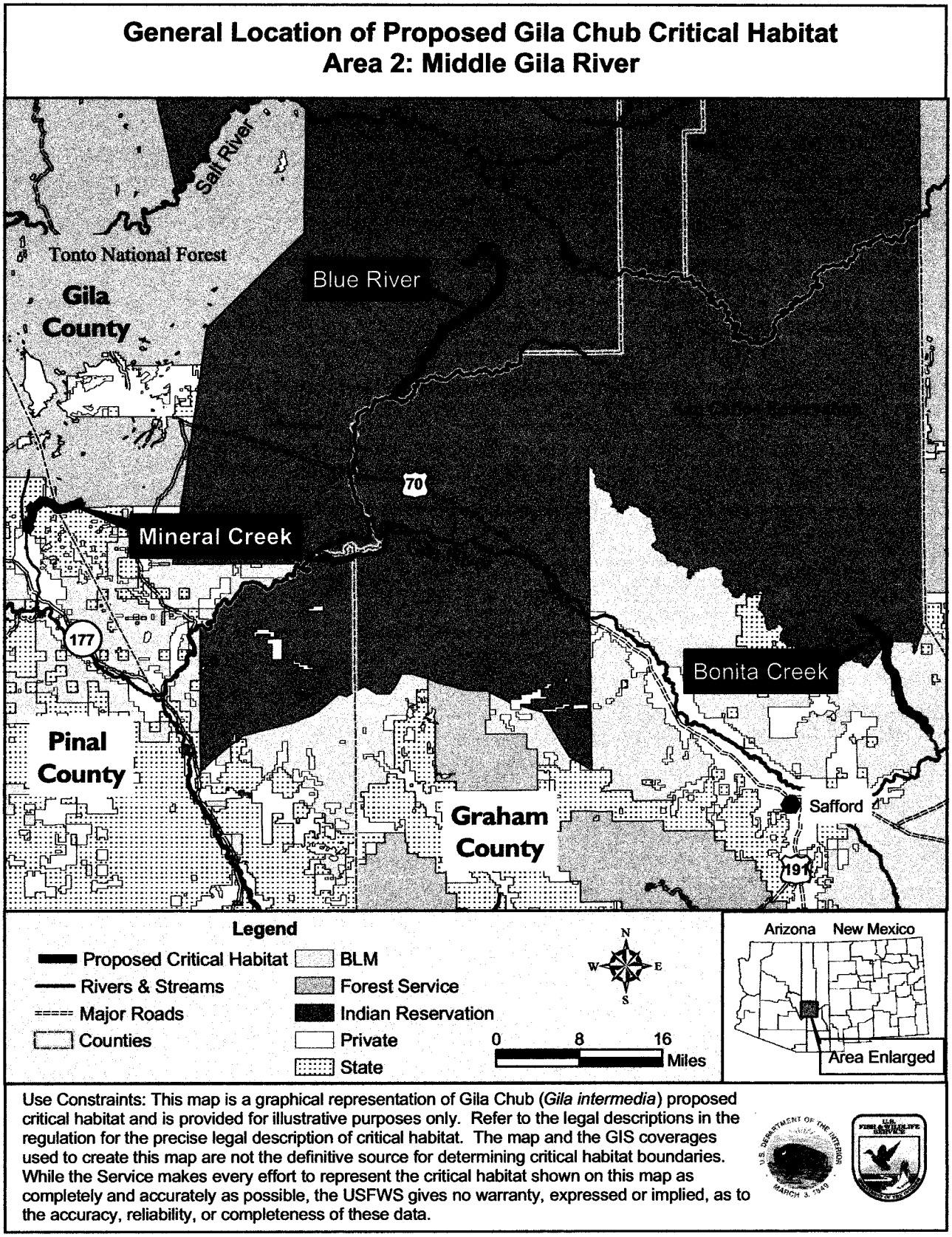
Land ownership: Tonto National Forest, Arizona State land, and private

b. Blue River—40.2 km (25.0 mi) of Creek extending from the confluence with the San Carlos River in T.1 N. , R.19 E., Section 29 on the border of NW and NE quarters continuing upstream to its headwaters in T.2 N., R.20 E., Section 16 Center.

Land ownership: San Carlos Apache Reservation

c. Bonita Creek—63.5 km (39.6 mi) of Creek extending from the City of Safford's diversion pipeline in GSRM T.6 S., R.28 E., Section 21 SE ¼ continuing up to its headwaters at T.3 S., R.25 E., Section 14 SW ¼.

Land ownership: Bureau of Land Management, Tribal, and private

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*Babocomari River Area 3*

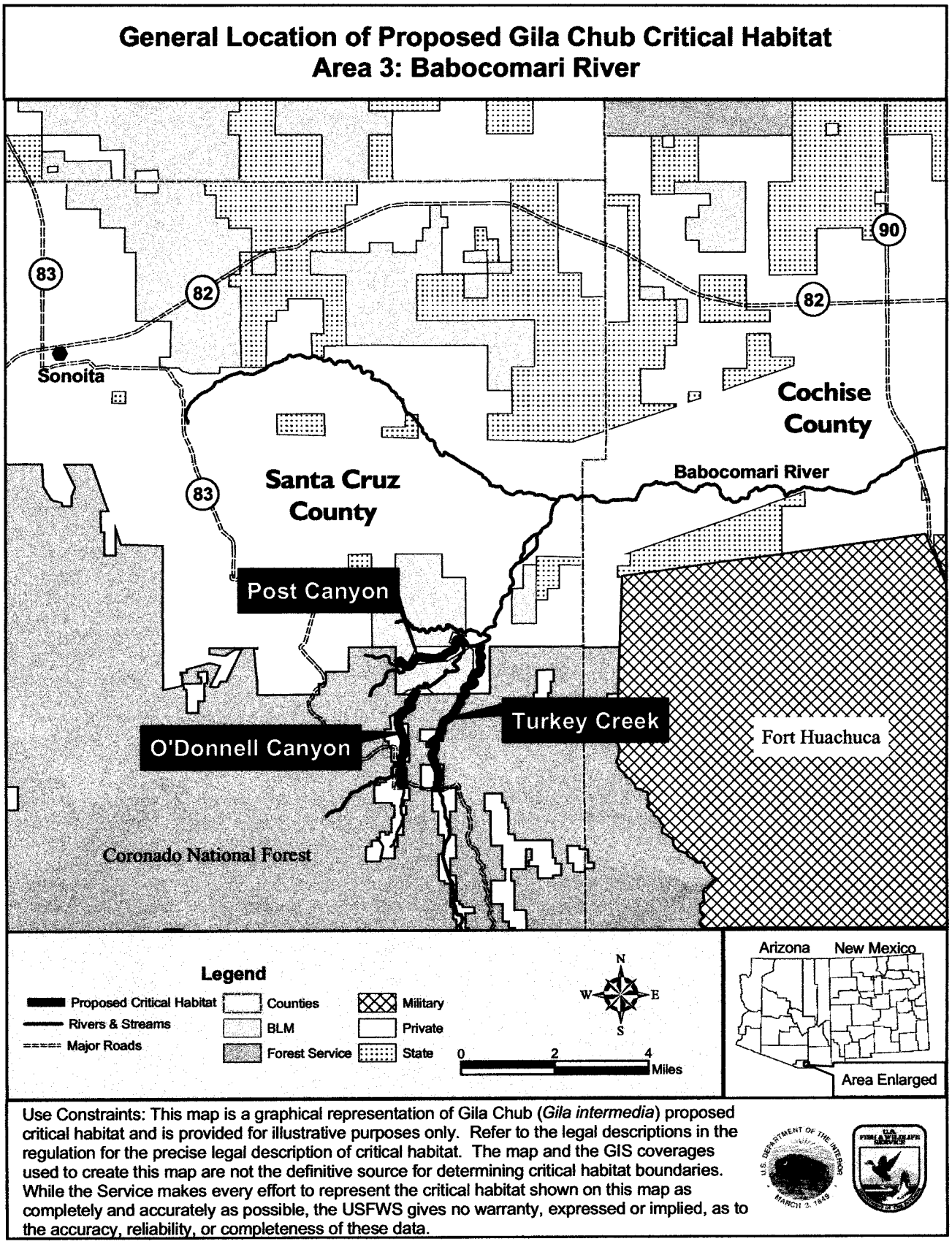
a. O'Donnell Canyon—3.9 km (2.4 mi) of creek extending from T.21 S., R.18 E., Section 33 NW ¼ on the northern boundary of Section 33, upstream to the confluences of Western, Middle, and Pauline Canyons in T.22 S., R.18 E., Section 17 NE ¼.

Land ownership: Private, Bureau of Land Management, and the Coronado National Forest

b. Turkey Creek—6.1 km (3.8 mi) of Creek extending from the confluence with O'Donnell Canyon in T.21 S., R.18 E., Section 22 SE ¼ upstream to where Turkey Creek crosses AZ highway 83 in T.22 S., R.18 E., Section 9 NE ¼.

Post Canyon—3.0 km (1.9 mi) of Creek extending from the confluence with O'Donnell Canyon in T.21 S., R.18 E., Section 22 SE ¼ upstream to and including the impoundment on Bureau of Land Management land in T.21 S., R.18 E., Section 28 SW ¼.

Land ownership: private and Coronado National Forest.

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*Lower San Pedro River Area 4*

a. Bass Canyon—5.4 km (3.4 mi) of Creek extending from the confluence with Hot Springs Canyon in GSRM T.12 S., R.20 E., Section 4 NE ¼ upstream to the confluence with Pine Canyon in T.12 S., R.21 E., Section 20 center (in the center of Section).

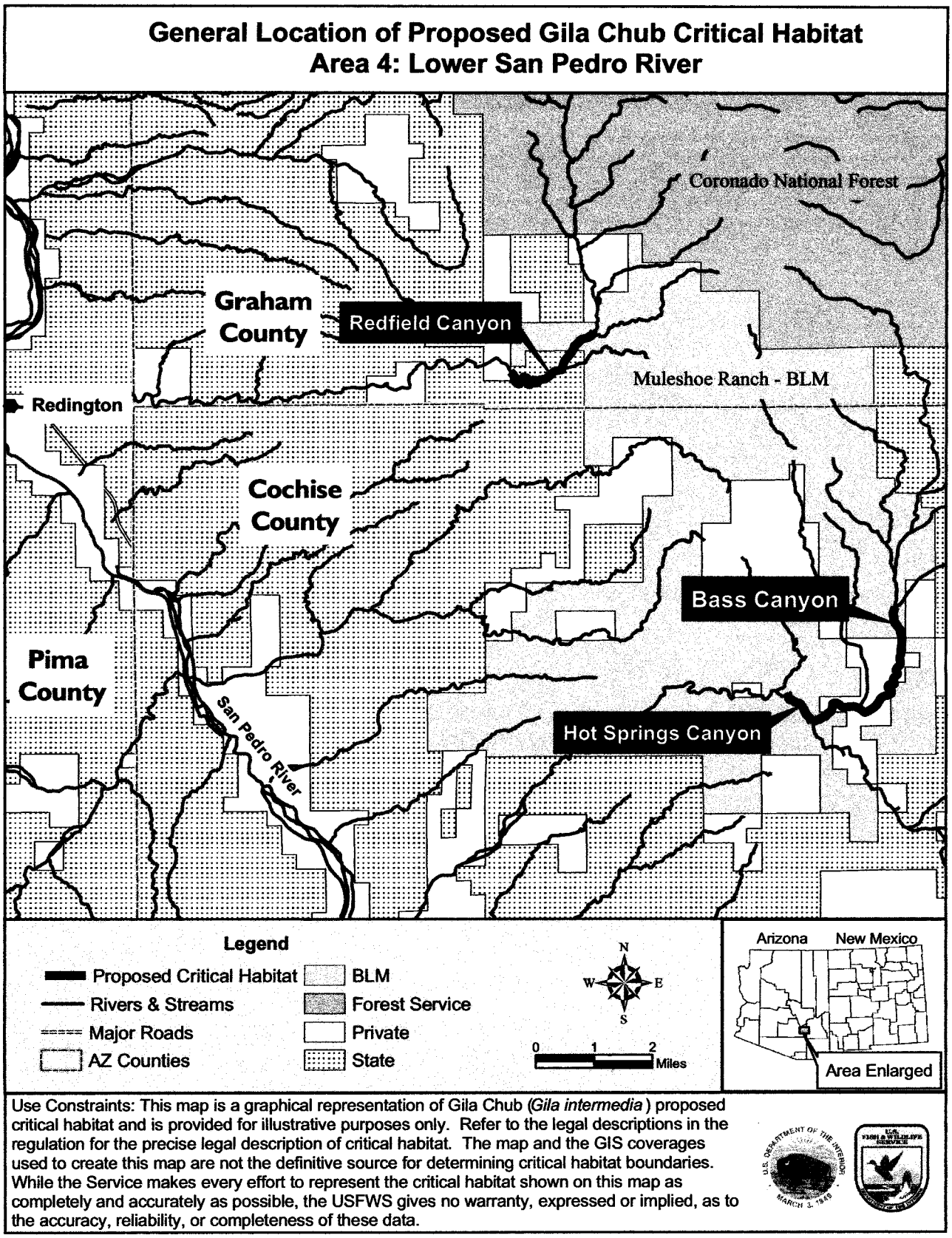
Land ownership: Private (The Nature Conservancy)

b. Hot Springs Canyon—for approximately 1.1 km (0.69 mi) extending from the Bureau of Land Management boundary in T12 S., R.20 E., Section 32 SW ¼ continuing upstream to the confluence with Bass Canyon in T.12 S., R.20 E., Section 36 NE ¼.

Land ownership: Private (The Nature Conservancy) and Bureau of Land Management

c. Redfield Canyon—3.6 km (2.2 mi) of Creek extending from the confluence with the San Pedro River in GSRM T.11 S., R.18 E., Section 34 SW ¼ upstream to the confluence with Sycamore Canyon in T.11 S., R.20 E., Section 28 NW ¼.

Land ownership: Private and Bureau of Land Management

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*Lower Santa Cruz River Area 5*

a. Cienega Creek—30.0 km (19.0 mi) of creek extending from the confluence with Pantano Wash in T.17 S., R.17 E., Section 1 NW ¼ continuing upstream to T.19 S., R.17 E., Section 23 NW ¼.

Land ownership: Bureau of Land Management, Arizona State land, and private

b. Mattie Canyon—3.9 km (2.4 mi) of creek extending from the confluence with Cienega Creek in T.18 S., R. 17 E., Section 23 NE ¼ upstream to the Bureau of Land Management boundary in T.18 S., R.17 E., Section 26 SE ¼.

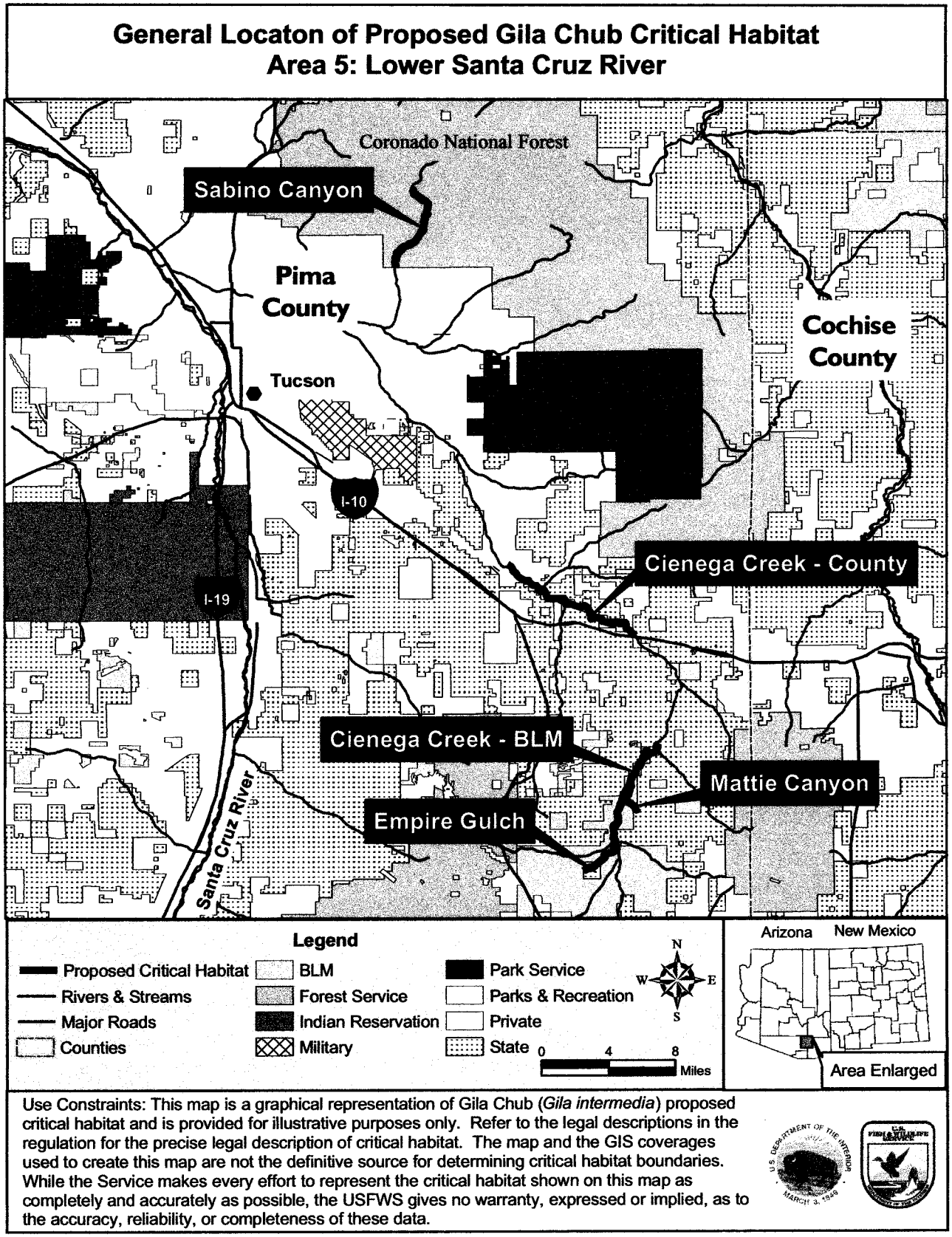
Land ownership: Bureau of Land Management

c. Empire Gulch—5.2 km (3.2 mi) of creek extending from its confluence with Cienega Creek in T.19 S., R.17 E., Section 3 NE ¼ continuing upstream to T.19 S., R.17 E., Section 16 NW ¼ on the western boundary of Section 16.

Land ownership: Bureau of Land Management

d. Sabino Canyon—from the southern boundary of the Coronado National Forest in T.13 S., R.15 E., Section 9 SE ¼ upstream to the confluence with the West Fork of Sabino Canyon in T.12 S., R.15 E., Section 22 SE ¼ approximately 17.7 kilometers (11.0 miles).

*Land ownership:* Coronado National Forest

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*Verde River Area 6*

a. Walker Creek—6.8 km (4.2 mi) of Creek extending from the Prescott National Forest Road 618 in GSRM T.14 ½ N., R 6 E., Section 33 SE 1/4 continuing upstream to the confluence with Spring Creek in T 14 ½ N., R. 6 E., Section 1 SE 1/4.

Land ownership: Coconino National Forest

b. Red Tank Draw—10.9 km (6.7 mi) of Creek extending from the confluence with Wet Beaver Creek in GSRM T. 14 ½ N., R. 6 E., Section 31 NE ¼ continuing upstream to the confluence with Mullican and Rarick Canyons (the point at which Red Tank Draw separates into two separate drainages) in T. 15 N., R. 6 E., Section 2 SW ¼.

Land ownership: Coconino National Forest

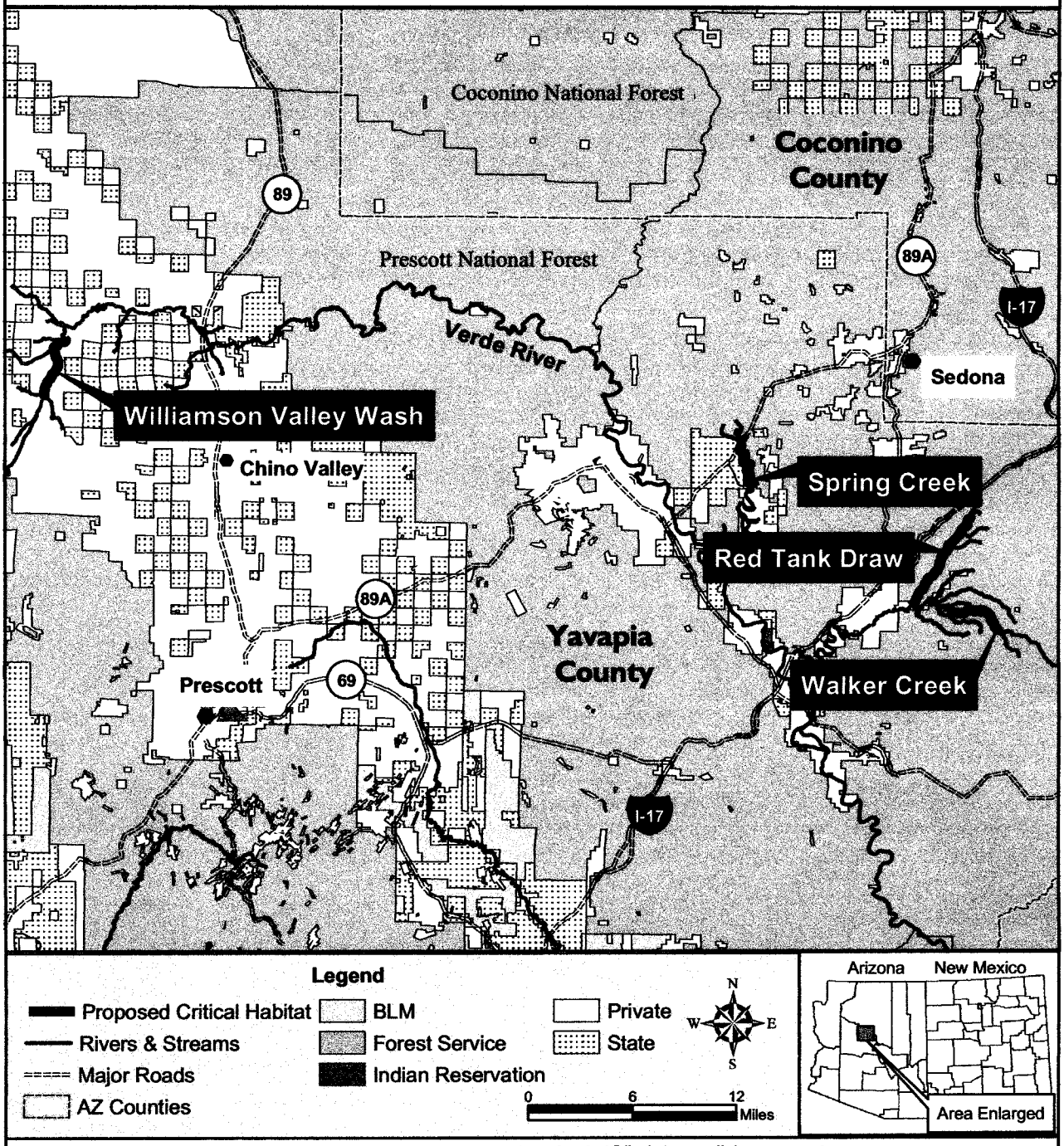
c. Spring Creek—5.8 km (3.6 mi) of creek extending from T.16 N., R. 4 E., Section 27 SE ¼ at the boundary of Forest Service land continuing upstream to the AZ. Highway 89A crossing in T. 16 N., R. 4 E., Section 16 SE ¼.

Land ownership: Coconino National Forest, Arizona State land, and private

d. Williamson Valley Wash—6.8 km (4.2 mi) of creek extending from the gaging station in T. 17 N., R. 3 W., Section 7 SE ¼ upstream to the crossing of the Williamson Valley Road in T. 17 N., R. 3 W., Section 36 NE ¼.

Land ownership: Private

**General Location of Proposed Gila Chub Critical Habitat**
**Area 6: Upper Verde River**

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*Agua Fria River Area 7*

a. Little Sycamore Creek—1.2 km (0.75 mi) of creek extending from the confluence with Sycamore Creek in GSRM T. 11 N., R. 4 E., Section 6 NE ¼ upstream to the Horner Mountain Ranch in T. 11 N., R. 4 E., Section 5 NW ¼.

Land ownership: Prescott National Forest and private

b. Sycamore Creek—18.5 km (11.5 mi) of creek extending from Rock Bottom Box and the confluence of an unnamed tributary in GSRM T. 11 N., R. 4 E., Section 23 SE ¼ upstream to Nelson Place Spring in T. 11 N., R. 5 E., Section 21 NE ¼.

Land ownership: Prescott National Forest and private

c. Indian Creek—5.3 km (3.3 mi) of creek extending from T. 11 N., R. 3 E., Section 26 SW ¼ on the section boundary of the SE ⅓ of Section 26 next to the SW ¼ of Section 35 continuing upstream to the western boundary of Section 30 in T. 1 N., R. 4 E., Section 30 NE ¼.

Land ownership: Prescott National Forest and Bureau of Land Management

d. Silver Creek—6.7 km (4.2 mi) of Creek extending from T. 10 N., R. 3 E., Section 11 SW ¼ corner continuing upstream to the spring in T. 10 N., R. 4 E., Section 4 SW ¼.

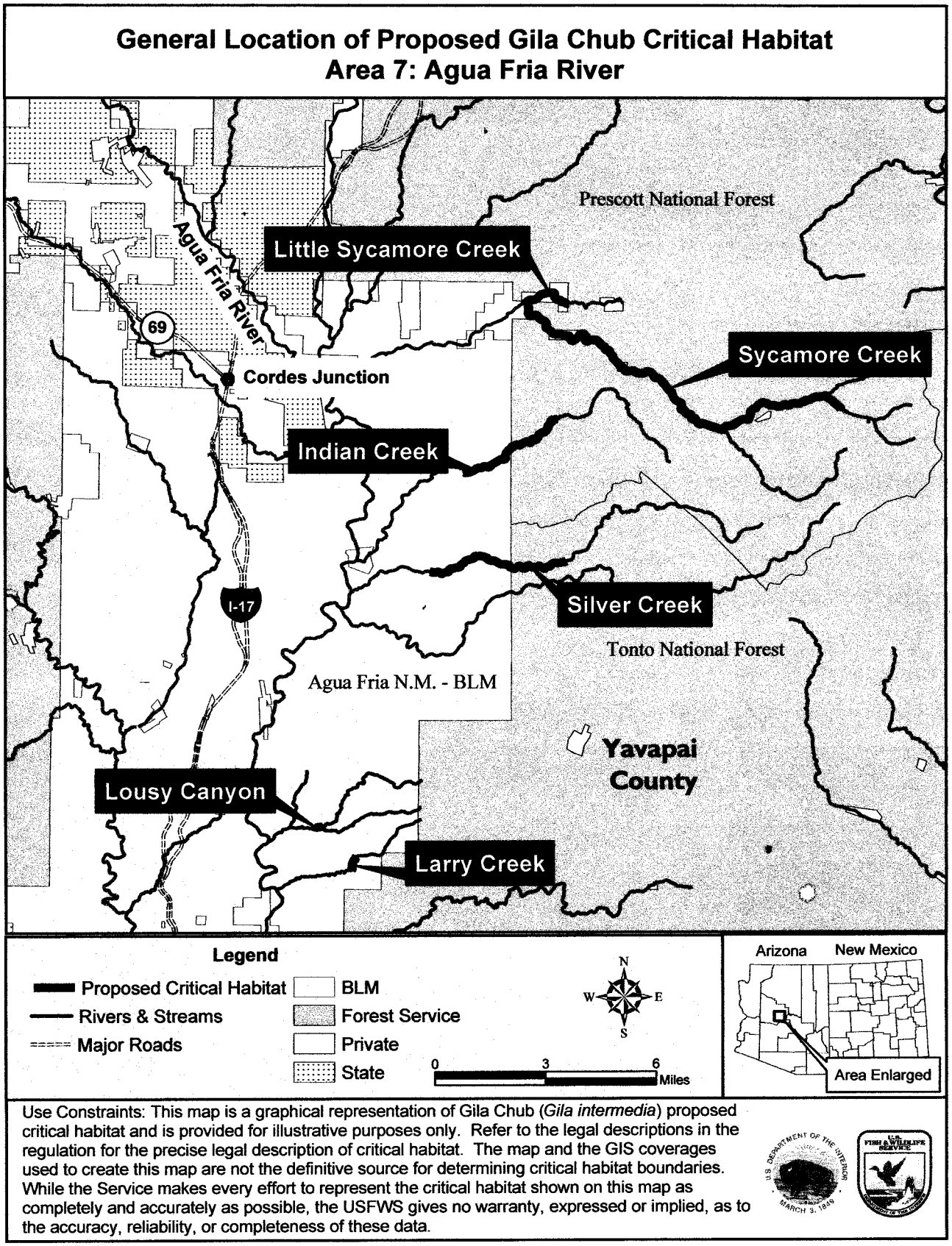
Land ownership: Tonto National Forest and Bureau of Land Management

e. Larry Creek—approximately 0.67 km (0.42 mi) upstream from the confluence with the Agua Fria River at the confluence of an unnamed tributary in T. 9 N., R. 3 E., Section 9 NW 1/4, continuing upstream .80 km (0.5 mi) to the confluence of two adjoining unnamed tributaries in T. 9 N., R. 3 E., Section 9 NW ¼.

Land ownership: Bureau of Land Management

f. Lousy Canyon—beginning 0.28 km (0.18 mi) upstream from the confluence with the Agua Fria River at the waterfall in T. 9 N., R. 3 E., Section 5 NW ¼ then continuing upstream to the fork with an unnamed tributary approximately 1.2 km (.75 mi) of total stream.

Land ownership: Bureau of Land Management

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2. Within these areas, the primary constituent elements are the following:

a. Perennial pools, areas of higher velocity between pool areas, and areas of shallow water among plants or eddies all found in small segments of headwaters, springs, or cienegas of smaller tributaries.

b. Water temperatures for spawning ranging from 20 to 26.5 degrees Celsius (68 to 79.7 degrees Fahrenheit) with sufficient dissolved oxygen, nutrients, and any other water-related characteristics needed.

c. Water quality with reduced levels of contaminants or any other water quality characteristics, including excessive levels of sediments, adverse to Gila chub health.

d. Food base consisting of invertebrates, filamentous (threadlike) algae, and insects.

e. Sufficient cover consisting of downed logs in the water channel, submerged aquatic vegetation, submerged large tree root wads, undercut banks with sufficient overhanging vegetation, large rocks and boulders with overhangs.

f. Habitat devoid of nonnative aquatic species detrimental to Gila chub or habitat in which detrimental nonnatives are kept at a level that allows Gila chub to continue to survive and reproduce. For example, the Muleshoe Preserve and Sabino Canyon Gila chub populations are devoid of nonnative aquatic species. The O'Donnell Canyon Gila chub population has continued to survive and reproduce despite the current level of nonnative aquatic species present.

g. Streams that maintain a natural unregulated flow pattern including periodic natural flooding. An example is Sabino Canyon, which has experienced major floods. If flows are modified, then the stream should retain a natural flow pattern that demonstrates an ability to support Gila chub.

3. Lands located within the exterior boundaries of the proposed critical habitat designation, but not considered critical habitat and are excluded by definition include: existing paved roads; bridges; parking lots; dikes; levees; diversion structures; railroad tracks; railroad trestles; water diversion canals outside of natural stream channels; active gravel pits; cultivated agricultural land; and residential, commercial, and industrial developments. These developed areas do not contain any of the primary constituent elements and do not provide habitat or biological features essential to the conservation of the Gila chub, and generally will not contribute to the species' recovery.

Dated: July 31, 2002.

**Craig Manson,**

*Assistant Secretary for Fish and Wildlife and Parks.*

[FR Doc. 02–19872 Filed 8–8–02; 8:45 am]

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Federal Register

Friday,
August 9, 2002

# Part IV

# Department of Justice

## Drug Enforcement Administration

**21 CFR Part 1301**

**Registration and Reregistration Application Fees; Final Rule**

**DEPARTMENT OF JUSTICE**

**Drug Enforcement Administration**

**21 CFR Part 1301**

**[DEA–140F]**

**RIN 1117–AA34**

## Registration and Reregistration Application Fees

**AGENCY:** Drug Enforcement Administration (DEA), Justice.

**ACTION:** Confirmation of final rule, remanded for further notice and comment, and response to comments.

**SUMMARY:** DEA is publishing a final rule regarding the registration and reregistration fees charged to controlled substances registrants. DEA is required to charge reasonable fees relating to the registration and control of the manufacture, distribution, and dispensing of controlled substances. To address this mandate, on March 22, 1993 DEA published a final rule in the **Federal Register**, establishing registration fees for controlled substances registrants (58 FR 15272). Following publication of the final rule, the American Medical Association (AMA) and others filed a complaint in the United States District Court for the District of Columbia objecting to the new fees. The district court issued its final order granting the government's motion for summary judgment and disposing of all claims. The AMA appealed. The United States Court of Appeals for the District of Columbia Circuit found DEA's rulemaking to be inadequate. The appeals court remanded, without vacating, the rule to DEA, requiring the agency to provide an opportunity for meaningful notice and comment on the fee-funded components of the Diversion Control Program. DEA responded to the remand requirement through a document published in the **Federal Register** on December 30, 1996 (61 FR 68624). This Final Rule supplements the December 30, 1996 **Federal Register** document and with that document, constitutes the final rule on the Drug Diversion Control Fee Account.

**FOR FURTHER INFORMATION CONTACT:** Patricia M. Good, Chief, Liaison and Policy Section, Office of Diversion Control, Drug Enforcement Administration, Washington, DC, 20537, Telephone (202) 307–7297.

**SUPPLEMENTARY INFORMATION:**

### I. Introduction

Congress passed the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act of 1993, Pub. L. No. 102–395, 106 Stat. 1828 (1992), on October 6, 1992. Congress directed in Section 111(b) of the act, codified at 21 U.S.C. 886a(3), that ''[f]ees charged by the Drug Enforcement Administration under its diversion control program shall be set at a level that ensures the recovery of the full costs of operating the various aspects of that program.'' The Drug Enforcement Administration (DEA) published its proposal to adjust the existing registration fee schedule in accordance with this mandate on December 18, 1992. 57 FR 60148. After notice and comment, DEA published a final rule adjusting registration fees on March 22, 1993. 58 FR 15272.

Following publication of the final rule, the American Medical Association (AMA) and others filed a complaint in the United States District Court for the District of Columbia objecting to the new fees. The district court issued its final order granting the government's motion for summary judgment and disposing of all claims on July 5, 1994. *AMA* v. *Reno,* 857 F. Supp. 80 (D.D.C. 1994). The AMA appealed. The United States Court of Appeals for the District of Columbia Circuit found DEA's rulemaking to be inadequate on July 27, 1995. The appeals court remanded, without vacating, the rule to DEA, requiring the agency to provide an opportunity for meaningful notice and comment on the fee-funded components of the Diversion Control Program (DCP). Specifically, the court held that DEA ''was required to identify the components of the fee-funded diversion control program and provide a brief explanation of why it deemed each component to be a part of that program.'' *AMA* v. *Reno,* 57 F.3d 1129, 1135 (D.C. Cir. 1995). The appeals court remanded this action to the district court with instructions on August 29, 1995. The district court remanded the matter to DEA for proceedings consistent with the appeals court opinion on November 22, 1995.

DEA responded to the remand requirement through a notice in the **Federal Register** on December 30, 1996, describing the fee-funded components and activities of the DCP with an explanation of how each satisfies the statutory requirements for fee-funding. 61 FR 68624–32. This document supplements the December 30, 1996 **Federal Register** notice and with that notice, constitutes the final rule on the Drug Diversion Control Fee Account (DDCFA).

### II. Statutory Basis of Diversion Control Fee Account

The Controlled Substances Act (CSA) has authorized the Attorney General since 1970 ''to promulgate rules and regulations and to charge reasonable fees relating to the registration and control of the manufacture, distribution, and dispensing of controlled substances' and ''to charge reasonable fees relating to the registration of importers and exporters of controlled substances.'' 21 U.S.C. 821 and 958(f). The Attorney General delegated that authority to the Administrator of the Drug Enforcement Administration (DEA), who in turn redelegated it to DEA's Deputy Administrator. *See* 28 CFR 0.100(b) and 0.104. Congress, through the 1993 Appropriations Act, established the Diversion Control Fee Account (DDCFA), changing the source of Diversion Control Program (DCP) funding from being part of DEA's congressional appropriation to full funding by registration and reregistration fees. The 1993 Appropriations Act made no changes in the DCP's duties or authorities, directing that ''[f]ees charged by the Drug Enforcement Administration under its diversion control program shall be set at a level that ensures the recovery of the full costs of operating the various aspects of that program'' and that funds from the DDCFA will be provided to DEA from the U.S. Treasury in accordance with ''the budget request of the Attorney General.'' 21 U.S.C. 886a(3) and (4).

### III. Comments Received

DEA received five comments in response to the December 30, 1996 **Federal Register** notice. One comment was filed on behalf of five professional and trade associations, several of whom were plaintiffs in the legal action: the American Medical Association (AMA), the American Dental Association, the American Veterinary Medical Association (AVMA), the National Community Pharmacists Association and the National Wholesale Druggists' Association (NWDA). A separate comment submitted on behalf of the American Osteopathic Association, also a plaintiff, fully concurred with the multi-party comment. The remaining three comments were filed separately by the AVMA, the NWDA and an individual practitioner. Most of the comments relate to three broad areas of concern: whether particular diversion control activities are properly fee-funded; justification for the current fee schedule; and the accumulation and

disposition of the surplus that had accumulated in the fee account.

The commentors expressed general concern regarding the funding of activities by the DDCFA. They singled out international and enforcement activities as examples of what they considered to be inappropriate funding. Specifically, the commentors asserted that DEA cannot lawfully fee-fund certain international activities, non-registrant drug trafficking investigations, and activities involving controlled substances not lawfully marketed in the United States, such as marijuana and flunitrazepam, because they lack connection or have such attenuated connection to the registration and control of the manufacture, distribution and dispensing of controlled substances. One commentor asked that the Office of Management and Budget (OMB) review various activities to determine whether they are fee-fundable.

Another point raised by commentors regarding DCP funding was that the explanation provided in the December 30, 1996 **Federal Register** notice failed to provide an adequate description of some of the DCP components. One commentor expressed concern regarding fee-funding the National Forensic Laboratory Information System (NFLIS) and Tactical Diversion Squads (TDSs), stating that the final rule described these programs ''too generally.'' Commentors demanded more detailed justification for fee-funding specific DCP activities.

Most of the commentors stated that the current fee schedule is unjustified, asserting that DEA failed to properly determine the costs of appropriate fee-funded activities and overestimated the costs. They asserted that the existence of a surplus is relevant to the issue of whether the registration fees are ''reasonable'' as required by 21 U.S.C. 821, stating that its existence indicates a failure to set appropriate fees. The commentors requested detailed justification for maintaining the fee schedule at current levels. Several also requested that DEA refund the surplus to the fee-paying registrants and/or adjust future fees to prevent surplus funds from accumulating.

In addition, one commentor stated that the rule fails to provide sufficient information on which to meaningfully comment. The same commentor characterized the registration fee as a user fee and claimed that it has been improperly assessed to fund international and other activities from which registrants receive no greater benefit than that received by the general public. Several commentors requested information on the costs of each component of the DCP. Finally, one commentor called for a registration fee structure for practitioners based on their individual controlled substance prescribing or dispensing patterns.

We address each of the points raised by the commentors below.

## IV. Requirements for Fee-Funding Diversion Control Activities

DEA's mission with respect to illicit controlled substances like heroin and crack cocaine is to eliminate them outright, but the agency's role is far more complex when it involves licit controlled pharmaceuticals. On one hand, DEA prevents, detects and eliminates the diversion of controlled pharmaceuticals from legitimate channels to illegal use, while at the same time ensuring their availability for legitimate medical and scientific purposes. To facilitate these goals, Congress through the CSA established a closed system of controlled substance distribution encompassing manufacturers, distributors, pharmacies and practitioners. Components of this closed system include scheduling of all controlled substances, registration of all controlled substance handlers, recordkeeping for accountability, security, and manufacturing quotas, all under DEA DCP oversight. The DCP also possesses chemical control responsibilities pursuant to the Chemical Diversion and Trafficking Act (CDTA) and subsequent legislation.

DEA's authority to collect registration fees derives from three statutory provisions. DEA is authorized by 21 U.S.C. 821 to collect reasonable fees relating to the registration and control of the manufacture, distribution and dispensing of controlled substances. Secondly, 21 U.S.C. 958(f) permits DEA to collect reasonable fees relating to the registration of importers and exporters of controlled substances. Lastly, the 1993 Appropriations Act added a provision requiring DEA to make the DCP self-supporting by setting fees at a level that ensures the recovery of the full costs of operating its ''various aspects''. 21 U.S.C. 886a(3). The United States Court of Appeals for the District of Columbia Circuit noted that in establishing the DDCFA, Congress left intact the fee collection requirements of 21 U.S.C. 821, confirming boundaries of the DCP that DEA can fund by registration fees. *AMA* v. *Reno,* 57 F.3d 1129, 1135 (D.C. Cir. 1995). Although the court made no specific mention of 21 U.S.C. 958(f), those same boundaries remain intact as well. The current statutory scheme thus requires DEA to set registration fees to recover the full costs of the DCP, while limiting DEA to charge ''reasonable'' fees relating to the registration and control of the manufacture, distribution and dispensing of controlled substances. DEA, therefore, must examine DCP activities in conjunction with the nexus requirements of 21 U.S.C. 821 and 958(f) to determine whether it can properly fee-fund them while setting fees that recover total program costs.

Much debate regarding which diversion control activities DEA can properly fee-fund has accompanied the establishment of the DDCFA.

The 1993 Appropriations Act specifically mandates that fees ''shall be set at a level that ensures the recovery of the full costs of operating the various aspects of that program.'' 21 U.S.C. 886a(3). Congress, in using the mandatory term ''shall'' as opposed to the discretionary ''may,'' unambiguously required DEA to increase its then-existing registration fees resulting in registrants fully funding DCP expenses. DEA, therefore, lacks discretion in this matter and must fund its DCP totally from registration fees. Assuming for the sake of argument that there is some doubt as to whether Congress intended DEA to entirely fund the DCP from registration fees due to its use of the phrase ''various aspects'' of the DCP as opposed to something like ''all aspects,'' the House Conference Report notes that the act's language ''requires the Drug Enforcement Administration to set fees to recover the full cost of their Diversion Control Program.'' H.R. Conf. Rep. No. 918, 102nd Cong., 2d Sess. 44 (1992).

The 1993 Appropriations Act directing DEA to set its fees to recover the full costs of its DCP may appear to conflict with the 21 U.S.C. 821 and 958(f) requirements that DEA's fees be reasonable and relate to the control and registration of the manufacture, distribution, dispensing, import or export of controlled substances. Perhaps Congress assumed that all DCP costs are reasonable. Possibly in anticipation of potential conflicts, as a preamble to the provisions establishing the DDCFA, Congress mandated fulfillment of the requirements of the act ''[n]otwithstanding [a]ny [o]ther [p]rovision of [l]aw,'' thus making its provisions supersede all other provisions of law that would otherwise prevent or impede DEA's recovery of the full costs of the DCP through registration fees. H.R. 5678, 102nd Cong., 2d Sess. 111 (1992).

DEA, upon establishment of the DDCFA, wrestled with the determination of which DCP activities it could legally fee-fund. The plain language of the 1993 Appropriations Act

requires DEA to set and collect registration fees to cover the full costs of operating its Diversion Control Program. A broad interpretation of the 1993 Appropriations Act would have resulted in fee-funding all DCP activities, while a narrow interpretation would have restricted the DCP activities that could be fee-funded.

*A. Final Rule (March 22, 1993)*

DEA examined all activities that relate to the registration and control of the manufacture, distribution and dispensing of controlled substances and to the registration (and control) of importers and exporters. DEA determined that ''activities contained in the [diversion] program which give rise to the fees consist of Diversion Investigators, analysts, technicians, and clerical personnel salaries and expenses; and travel, rent, utilities, supplies, equipment and services associated with these positions for the registration and control of the manufacture, distribution and dispensing of controlled substances.'' 58 FR 15273. DEA determined that it would not fee-fund costs associated with chemical control efforts, clandestine lab efforts, overseas efforts (specifically diversion investigators assigned to foreign posts), DEA's Office of Chief Counsel and executive direction. 58 FR 15273. DEA concluded that these activities were excluded from the Attorney General's budget delineation for the category of ''Diversion Control'' and thus not included in the determination of the fees. *Id.*

*B. Federal Register Notice (December 30, 1996)*

DEA further excluded from fee-funding in its December 1996 **Federal Register** notice activities that, while supporting the DCP, are funded elsewhere in the DEA Salaries Budget and thus not fee-funded. The notice, mirroring the 1993 final rule, provided the following examples of such activities: Chief Counsel attorney support; laboratory services support; DEA automated data processing systems support; training, management and administrative support; activities conducted by the DEA Office of Congressional and Public Affairs; intelligence support; and diversion investigators assigned overseas. 61 FR 68631.

*C. Litigation Statements*

The AMA and others brought a complaint in U.S. District Court for the District of Columbia in June 1993 objecting to the fees, and the court granted the government's motion for summary judgment in July 1994. The plaintiffs appealed, and the U.S. Court of Appeals for the District of Columbia Circuit found DEA's rulemaking to be inadequate in July 1995. During the course of these legal proceedings DEA made statements regarding which activities could be fee-funded and which could not. The government statements on fee-fundable activities essentially mirror the criteria set out in the March 1993 Final Rule; *i.e.,* that activities involving chemical control, clandestine laboratories, overseas operations, Chief Counsel and ''executive direction'' were excluded from fee-funding and were paid for by congressionally appropriated funds. DEA subsequently discovered its statements regarding the exclusion of chemical control activities were in part, at least, erroneous.

*D. DEA Response to the Senate Appropriations Committee (1998)*

In response to questions from the Senate Appropriations Committee regarding fee-fundable activities, DEA stated that in the absence of specific guidance in the Appropriations Act as to which activities were encompassed within the DCP and thus fee-fundable, DEA followed the plain language of the act and used the budget category that had historically been included in the DCP budget request of the Attorney General.

*E. DEA Fee Spending Elements*

As a matter of note, DCP activities are undertaken by DEA elements other than those within the Office of Diversion Control. While the Office of Diversion Control conducts anti-diversion registration and control activities, other DEA elements undertake activities in support of the DCP in addition to supporting nonfee-fundable activities. As such, these other elements expend fee-funds to support fee-fundable DCP activities. For example, the Office of Administration provides office space, makes appropriate office renovations and supplies the security guard force to the diversion groups. The Office of Administration pays rent and other expenses with fee funds. The Office of Resource Management expends fee funds for payroll and employment benefits for the DCP workforce. The Office of Training trains the DCP workforce and spends fee funds on training in support of fee-fundable activities.

*F. Current Fee-Funding*

Commentors to the December 1996 **Federal Register** notice focused on several specific activities that DEA has always conducted and has fee-funded under the new fee program since its inception in 1993. In light of the comments, DEA reexamined each questioned activity to determine and explain the extent of its relationship to the registration and control of the lawful manufacture, distribution and dispensing of controlled substances, and the registration for importing and exporting controlled substances.

DEA has reevaluated its fee-funded DCP activities several times since publication of the December 1996 **Federal Register** notice and has concluded that it is proper to fee-fund all activities with the exception of those specifically excluded in the March 1993 and December 1996 **Federal Register** notices. DEA has reached this conclusion because all DCP activities except for those involving chemical control relate to controlled substances lawfully manufactured, distributed, dispensed, imported or exported as required by 21 U.S.C. 821 and 958(f). DEA decided not to fee-fund the remaining excluded activities even though they relate in varying degrees to the criteria enumerated in 21 U.S.C. 821 and 958(f).

Fee-funded activities thus include those relating to controlled substances handled by any DEA registrant (including researchers, analytical laboratories, teaching institutions and narcotic treatment programs) for legitimate medical, scientific or industrial purposes. DEA's ability to fee-fund such activities is derived from the authorizing language of 21 U.S.C. 821. Scheduling activities are also fee-fundable because they, too, relate to the control requirement of 21 U.S.C. 821. Although 21 U.S.C. 958(f) authorizes DEA to collect fees related to the registration, with no explicit mention of ''control'' of importers and exporters of controlled substances, activities related to their control are implicit in the 21 U.S.C. 821 criteria. All controlled substances imported into the United States by DEA-registered importers pursuant to import declarations or permits are distributed to other DEA registrants engaged in the manufacture or distribution of the original substances or of products made from them that are lawfully marketed here. Conversely, DEA-registered exporters are the final point of sale for products manufactured and distributed within the United States by domestic registrants who transfer the products to them for the purpose of export to foreign customers. Activities related to these transactions are, therefore, fee-fundable.

Fee-fundable DCP activities include: scheduling, registration, investigation,

inspection, data collection and analysis, training, establishing production quotas, cooperative efforts with state, local and other federal agencies, cooperative efforts with the regulated industry, international activities, as well as the attendant management, personnel, administrative and clerical oversight for the DCP because they too relate to the fee-funding criteria of 21 U.S.C. 821 and 958(f). For the reasons explained below, DEA has determined that even activities relating to foreign substances unlawfully imported into the United States are fee-fundable as are those relating to counterfeit versions of legitimate controlled substances.

The final rule published in March 1993 stated that DEA would not fee-fund five particular DCP activities. DEA excluded efforts involving chemical control, clandestine laboratories, overseas activities, Office of Chief Counsel support and executive direction. DEA did not consider their costs in determining the new fees. Although DEA stated that it would fund these activities by other appropriated funds, DEA has subsequently found that agency elements have erred in inappropriately fee-funding some of these at different times since establishment of the DDCFA. DEA is in the process of minimizing the risk of fee-funding these ''excluded'' activities in the future. For a more detailed discussion of the inappropriately fee-funded activities, see Sections X and XIII.

The following sections discuss in greater detail the specific comments questioning various DCP activities, DEA's response to the comments, and how DEA funds them.

## V. International Activities

DEA received four comments objecting to fee-funding specific international activities on the ground that they are unrelated or only remotely related to the registration and control of the manufacture, distribution and dispensing of controlled substances or to ''controlling the manufacture, distribution or use of controlled substances by the health care professionals and other registrants on whom the costs of the program have been placed.'' One commentor objected to fee-funding DEA participation in international policy activities such as the development and formulation of United Nations (UN) resolutions, position papers, background documents and briefing materials. Two commentors objected to fee-funding DEA participation in and/or co-sponsorship of international conferences on drug control. These commentors criticized the use of DDCFA funds for meetings with European government officials because they included discussions of, among other topics, the medical use of marijuana, and meetings with Colombian and Mexican officials about flunitrazepam, noting that neither substance is legitimately produced in the United States.

Several commentors objected to use of DDCFA funds to assist foreign authorities with their national systems of control, specifically citing DEA involvement in a conference to improve controlled substance and chemical controls in the Commonwealth of Independent States (CIS) (formerly the Soviet Republics) and for sending a DEA representative to participate in a training seminar to assist African authorities in developing effective national controls. We address these specific concerns later in this section.

### *A. International Activities Generally*

DEA fee-funded certain international diversion control activities when the 1993 Appropriations Act became effective because they relate to the registration and control of the lawful manufacture, distribution and dispensing of controlled substances. As explained above, controlled substances lawfully imported or exported relate to Section 821 requirements because imported substances are subsequently distributed to other DEA registrants, and exported substances are initially manufactured and/or distributed domestically prior to export. As explained in the December 30, 1996 **Federal Register** notice, the CSA's closed system of controls over manufacturing, distribution and dispensing was not established and is not administered within the isolation of our domestic borders. Rather, the controls are part of a global system of national and international laws designed to establish an interrelated, worldwide structure of control over the manufacture, distribution, dispensing, import and export of controlled substances, so that controls or lack of controls in one country do not undermine controls in another. Congress found and declared that illegal importation, along with illegal manufacture, distribution, possession and improper use of controlled substances, has a detrimental effect on the health and welfare of the American people, recognizing that ''[a] major portion of the traffic in controlled substances flows through interstate and foreign commerce.'' 21 U.S.C. 801(2) and (3).

The international drug control treaties to which the United States is a signatory require that each party establish a program of controls relating to the registration and control of the manufacture, distribution, dispensing, import and export of controlled substances. The specific language of the CSA and its implementing regulations recognize the obligations of the United States under the international conventions. *See* 21 U.S.C. 801, 801a, 811(d)(1), 823(a) and 958(a), and 21 CFR 1307.02.

The CSA expressly recognized that the United States is a party to the Single Convention on Narcotic Drugs of 1961 and other conventions ''designed to establish effective control over international and domestic traffic in controlled substances.'' 21 U.S.C. 801(7). Likewise, Congress recognized that the abuse of psychotropic substances has become ''a phenomenon common to many countries'' that ''is not confined to national borders,'' making it ''essential that the United States cooperate with other nations in establishing effective controls over international traffic in such substances.'' 21 U.S.C. 801a(1). Congress further recognized that the United States joined with other countries in executing the Convention on Psychotropic Substances, ''which is designed to establish suitable controls over the manufacture, distribution, transfer, and use of certain psychotropic substances.'' 21 U.S.C. 801a(2). Congress acknowledged that before the Senate could ratify the convention, the CSA required amending to bring it into compliance with the requirements of the convention. Congress thus recognized that the conventions are an integral part of the United States' programs regarding the registration and control of the manufacture, distribution, and dispensing of controlled substances. By implementing and ratifying the international treaties, Congress recognized that a strong domestic program relating to the registration and control of the manufacture, distribution, dispensing, import or export of controlled substances depends on establishing and maintaining strong controls within other individual nations.

As described above, DEA is obligated to conduct, as part of its diversion control program, certain international activities relating to the lawful manufacture, distribution, dispensing, import and export of controlled substances. DEA fee-funds most international diversion control activities that it had historically conducted since 1971, considering each related to 21 U.S.C. 821 and 958(f) criteria. DEA, although not always successful, has

attempted to exclude from fee-funding international chemical control activities, as well as those specified in the March 1993 and December 1996 **Federal Register** notices. Comments responding to the December 30, 1996 **Federal Register** notice raised issues about fee-funding certain international activities, and DEA reexamined the fee-funding criteria in light of the comments. DEA has determined that international programs and activities are an integral part of the DCP, and fee-funding them is appropriate because they relate to the registration or control of the lawful manufacture, distribution or dispensing of controlled substances.

Following is a discussion of the international activities for which comments were received, and justification why DEA fee-funds them.

*B. DEA Participation in UN International Policy Activities*

The international community, through the UN's International Narcotics Control Board (INCB) and the Commission on Narcotic Drugs (CND), continuously monitors the workings of the treaties and each country's compliance with their diversion control provisions. The UN treaties have mechanisms by which the scope of control may be changed. Such changes are binding upon the United States as a party to the conventions and have a significant impact on those lawfully manufacturing, distributing or dispensing controlled substances here. When new controls are adopted or existing ones amended, DEA must implement the new requirements, and they are binding upon the U.S. registrant community, *i.e.,* all manufacturers, distributors and dispensers. DEA participation in the development and formulation of UN resolutions, position papers and other briefing materials, and its attendance at formal meetings of international experts on drug control ensures that the interests of the United States, including those of its registrants, are represented during the consideration of additional or amended controls.

DEA fee-funds diversion control personnel participation in international policy matters when the activity relates to the lawful manufacture, distribution, dispensing, import or export of controlled substances. For example, DEA has fee-funded international activities relating to the following actual examples: benzodiazepine scheduling; emergency international distribution of controlled substances from the U.S. to countries that have experienced a natural disaster; the manufacture, use, diversion, abuse and scheduling of stimulant drugs, such as methylphenidate, used in the treatment of obesity or Attention Deficit Disorder; preparation of information regarding trade names of U.S.-manufactured products containing Schedule I or II substances; preparation of UN reports, questionnaires and estimates of legitimately produced controlled substances; and the domestic manufacture, distribution or dispensing of controlled substances for pain treatment.

DCP activities involving gamma hydroxybutyrate (GHB) and flunitrazepam on the surface seem to pose a dilemma as to whether DEA may fee-fund them. GHB was originally marketed in health food stores. The U.S. Food and Drug Administration (FDA) issued advisory warnings in 1990 and 1997 declaring GHB unsafe and illicit except under FDA-approved physician-supervised protocols. GHB is currently a Schedule I controlled substance, not approved by FDA for marketing. GHB is under investigation for use in treating narcolepsy under FDA's Orphan Drug program and Schedule III security requirements apply to those conducting these investigations. If FDA approves GHB for medical use in the United States, Congress has directed that DEA place the dosage form, though not the bulk form, into Schedule III. The CSA sets forth the following criteria for drugs or substances placed into Schedule III: the drug or substance has a potential for abuse less than that of the drugs or substances in Schedules I and II; the drug or substance has a currently accepted medical use in the United States; and the abuse of the drug or substance may lead to moderate or low physical dependence or high psychological dependence. 21 U.S.C. 812(b)(3). DEA, therefore, fee-funds GHB activities. DEA must have control and play an active role in the scheduling process prior to FDA approval and scheduling, and to do otherwise would seriously curtail DEA fulfilling its mandated mission. DEA activities prior to scheduling ultimately impact post-scheduling commercial decisions of registrants.

Flunitrazepam, like GHB, is not currently approved for medical use in the United States. However, twenty countries, including Mexico and a number in South America, have approved the drug in tablet form. Roche Pharmaceuticals, a foreign subsidiary of the United States DEA-registered manufacturer, markets the drug under the trade name of Rohypnol®. Smuggling and introducing Rohypnol® into the United States for medical and illicit reasons impacts Roche Pharmaceuticals domestically. DEA has placed flunitrazepam into Schedule IV, while some states have also placed it under control, some in Schedule I, and others in Schedules II to IV. DEA fee-funds flunitrazepam activities because, while more tenuous than those involving GHB, in the case of Rohypnol® they relate to the registration and control of the manufacture, distribution, dispensing and import of at least one U.S. DEA-registered manufacturer. Admittedly, the nexus of non-tableted flunitrazepam to Sections 821 and 958 is less clear and less direct than other Schedule IV controlled substances. DEA determined not to fee-fund activities involving non-tableted flunitrazepam because they are undertaken by non-DCP personnel and are closer to chemical control activities than to traditional DCP activities.

In the event that an international activity or conference meets the fee-funding criteria but also involves excluded activities or substances, DEA attempts to fee-fund the activity on a *pro rata* basis, with the remainder funded by other appropriated funds. The costs of salary, support, travel and other items pertaining to such dual-purpose activities are split-funded and assigned to the appropriate funding source. For example, if an international conference involves fee-funded activities for 90% of the time, and chemical activities for the remaining 10%, then DEA would fee-fund 90% of the conference.

*C. Participation In and/or Co-Sponsorship of International Conferences or Bilateral Discussions on Drug Control*

DEA participates in and co-sponsors international conferences and meetings with foreign counterparts to gain critical information on drug abuse trends and patterns. DEA considers this information in determining whether these, or pharmacologically similar substances should be controlled in the United States. These activities allow DEA to exchange information regarding diversion and effective (or ineffective) prevention measures and to identify specific problems that the agency must address. Information derived from such activities is essential in protecting the U.S. public health and safety and relates to a broad spectrum of DEA efforts, ranging from information collection and policy formulation to investigative and operational activities.

Several commentors objected to fee-funding meetings with European, Turkish, Colombian and Mexican officials regarding specific control issues, such as the medical use of

marijuana and flunitrazepam. Other international conferences and discussions relate in whole or in part to controlled substances lawfully manufactured, distributed or dispensed. For example, the December 30, 1996 **Federal Register** notice described meetings with European officials to discuss control and policy issues ''relating to pain management, the distribution and use of methylphenidate, narcotic treatment programs, and the medical use of marihuana.'' 61 FR 68628. While the commentor singled out the topic of medical marijuana raised at these meetings, the other subjects clearly relate to serious domestic control issues involving controlled substances lawfully manufactured, distributed or dispensed. DEA carries out the mandates of the CSA related to lawfully manufactured drugs so that controlled substances are available for pain management and other legitimate purposes, while preventing, detecting and investigating their diversion. Methylphenidate is a Schedule II controlled substance, lawfully marketed for Attention Deficit Disorder and narcolepsy, that is in great demand by illicit users and traffickers. Narcotic treatment programs primarily dispense and administer methadone, a highly abusable and sought-after Schedule II controlled substance, to narcotic addicts.

Additionally, and perhaps most importantly, such activities potentially impact U.S. manufacturers, distributors, dispensers, exporters and importers which, if they handle controlled substances legally, are DEA registrants.

The medical uses of marijuana and flunitrazepam have been the subject of much press, policy and medical professional association debate in the United States as to the appropriateness of current CSA controls. Marijuana is a Schedule I controlled substance available and used for research purposes, and those handling it within the closed distribution system including conducting research must be registered with DEA. 21 CFR 1308.11(d)(19) and 21 U.S.C. 823(f). In reviewing and considering U.S. control policy and practices for these substances and activities, it is appropriate and necessary for DEA to research and examine the experience of other nations' control efforts with them. Factors determining whether any substance, including marijuana and flunitrazepam, should be scheduled, re-scheduled or de-scheduled under 21 U.S.C. 811(c), are not limited to the domestic experience of the United States. *See* 21 U.S.C. 811(c). In fact, U.S. firms and practitioners frequently cite the experiences of other nations as a foundation for suggesting modifications to domestic controls. For additional discussion of flunitrazepam, please see Section B directly above.

*D. Assisting Foreign Authorities With Their Diversion Control Systems*

One commentor expressed concern about a conference held in Austria to ''improve the design and administration of, and cooperation regarding, controlled substance and chemical controls in the Commonwealth of Independent States' and training African authorities about effective national controls for the manufacture and distribution of controlled substances. The commentor asserted that these activities have ''nothing to do with the legitimate manufacture, distribution and dispensing of controlled substances that are handled by DEA registrants.'' The commentor contended that DEA must explain how these activities legitimately relate to the regulation of DEA registrants.

In addition to the above discussion explaining the interrelationship of effective international controls and treaty requirements with domestic controls, DEA activities to assist other nations in establishing adequate national control mechanisms are crucial in establishing and maintaining the machinery and working procedures that allow the legitimate exportation of controlled substances by U.S. registrants to foreign countries and the legitimate importation of foreign pharmaceuticals by U.S. registrants for distribution and dispensing in the United States. The CSA authorizes registration of importers and exporters of Schedule I or II substances only if consistent with the public interest and with U.S. obligations under the treaties, conventions and protocols. 21 U.S.C. 958(a). The CSA, recognizing the interrelationship between U.S. and foreign controls, makes it unlawful to export Schedule I–IV narcotics and Schedule I and II non-narcotic substances unless the importing country has adequate controls in place and that country has a legitimate medical, scientific or research need for the drug. For example, the foreign-based consignee must hold an appropriate permit or license from the government authority in the importing country that also indicates that a legitimate need for the drug exists in that country. 21 U.S.C. 953(a) and (c). The CSA also restricts the export of the other controlled substances. 21 U.S.C. 953(e).

DEA, jointly with the European Union, organized, sponsored and funded, the Commonwealth of Independent States Policy Conference, held October 1994, in Salzburg, Austria. The purpose of the conference was ''to establish dialogue with policy-level officials of the CIS governments on the problems of illicit drug transit, manufacture, and uncontrolled trade in pharmaceuticals and chemicals used in the clandestine production of drugs.'' DEA, Conference Report, Commonwealth of Independent States Policy Conference on Drug and Enforcement Control 1 (1995). Participants discussed the need for adequate national legislation to enable government authorities to deal with the drug threat, international treaty compliance, establishing or strengthening national frameworks for administering drug and chemical regulatory and enforcement programs, drug trafficking methods and aspects of drug law enforcement. *Id.* As the December 30, 1996 **Federal Register** notice pointed out, DEA's share of the costs of this multi-topic conference was split between the DDCFA and other appropriated funds ''in approximation to the subject matter covered.'' 61 FR 68628.

DEA sent one DCP representative to an INCB training seminar for north and west African drug control administrators held March 1995 in Tunis, Tunisia. Most African countries import controlled substances from American exporters and others to meet their legitimate medical needs. Lack of organization, conflicting authorities and other factors contribute to potential and actual controlled substance diversion in Africa, and the DEA representative provided insight into the business practices and attitudes of importers and exporters of controlled substances and chemicals. Working groups discussed, among other topics, the effectiveness of national and international control measures. Adequate national control measures, as discussed above, are prerequisite for exporting controlled substances from the United States to any foreign country. Training African drug control administrators involved control activities relating to controlled substances lawfully manufactured in, and subsequently exported from, the United States. The total fee account funds expended for this activity totaled $3,775.16.

The adequacy of foreign controls relate to the control of the lawful manufacture, distribution and dispensing of controlled substances for the reasons just cited, and DEA has determined that it will fee-fund these activities based on its extensive reevaluation of the fee-funding criteria.

DEA will continue to fee-fund foreign bilateral and multilateral training, and the development of effective foreign national control systems, unless they do not relate to controlled substances lawfully manufactured, distributed, dispensed, imported or exported in the United States. DEA has attempted to exclude expenses incurred when international activities relate to chemical control but as previously mentioned, has not always been successful.

As a further note, the international activities carried out by personnel assigned to DEA domestic offices are limited in scope. The expenses of DCP personnel assigned to overseas positions are totally funded by other appropriated funds, not by the DDCFA, even though they may conduct activities that fall within the 21 U.S.C. 821 and 958(f) criteria.

**VI. Enforcement Activities-Drug Trafficking Investigations**

Two comments submitted on behalf of six professional and trade associations stated that the December 30, 1996 **Federal Register** notice indicated that ''much of the [diversion control] program has nothing to do with controlling the manufacture, distribution or use of controlled substances by the health care professionals and other registrants on whom the costs of the program have been placed'' and provided, as an example, ''many of the costs of the agency's efforts to control drug trafficking by non-registrants.''

Narcotic, depressant, and stimulant drugs manufactured, distributed and dispensed for legitimate medical need are sought by abusers and subject to diversion into the illicit traffic. Pharmaceutical drugs are in demand by abusers as a substitute when ''street'' drugs are in short supply (Oxycontin®, Dilaudid®, or morphine in place of heroin, for example); as a supplement to ''street'' drugs to enhance or diminish their effect (*e.g.,* tranquilizers to ''smooth out'' a cocaine binge); or even as many abusers'' primary drugs of choice. These legitimate abusable drugs, listed individually in the CSA and its implementing regulations, are ''controlled substances.'' Their street value can be up to a hundred times their original cost, and they are available through theft, fraud or illegal sale from over a million physicians, pharmacies and other registrants.

Abuse resulting from diverted controlled substances is within the DCP's authority to control and prevent since the drugs are lawfully manufactured, distributed and/or dispensed, and the ''sources of supply'' to abusers hold DEA registrations and state licenses. The DCP is responsible for investigations related to lawfully manufactured, distributed and dispensed controlled substances for which registration is required or excepted, and where controls imposed by the CSA and its implementing regulations are circumvented or disregarded. The DCP attempts to ensure that the required controls to prevent diversion are maintained and verifies the *bona fides* of applicants for registration. DCP investigations fall into three general categories: pre-registrant investigations, scheduled regulatory investigations, and complaint investigations. The DCP conducts investigations of individuals and institutions suspected of violating the CSA or which undermine public confidence in the safety and authenticity of controlled substances found within pharmaceutical and health care channels.

The DCP investigates the diversion of legitimate controlled substances to determine where the closed system of controls has been compromised so that corrective action can be taken. When such products are trafficked or sold in the illicit market, it is not always clear how they were diverted, but the illicit source of supply must by virtue of the closed distribution system requirement be a person subject to the CSA's registration and control requirements. The person responsible for the diversion could be a doctor, pharmacist, employee of a DEA registrant or other source. The controlled substances could be smuggled or stolen.

The closed system created by the CSA was designed to ensure that registrants maintain controls over their activities with controlled substances to prevent and detect their diversion. When drug abusers and traffickers obtain controlled substances from registrants, the DCP investigates the registrants to determine whether their controlled substance registration is consistent with the public interest. The DCP also investigates non-registrants such as prescription forgers and ''doctor shoppers.'' All of these activities relate ''to the * * * control * * * of the dispensing of controlled substances'' since the originating source of the drugs is a DEA registrant or an individual whose activities is subject to DEA's registration requirements.

DEA identified six categories of DCP complaint investigations in the December 30, 1996 **Federal Register** notice and described how each relates to 21 U.S.C. 821. Following review of the comments received, DEA reevaluated these investigations and how they relate to 21 U.S.C. 821 and 958(f). DEA fee-funds these investigative activities because they relate to the registration and control of lawfully manufactured, distributed or dispensed controlled substances. Some have asserted that DEA should not fee-fund investigative activities involving other than lawfully manufactured, distributed or dispensed controlled substances, such as counterfeit or illegally imported versions of legitimate controlled substances. While the nexus of some investigative activities with controlled substances under the 21 U.S.C. 821 and 958(f) criteria may not appear as evident or as clear as others, DEA believes that it is sufficient to justify fee-funding investigative activities except when they involve chemicals. (The activities within the areas specifically excluded by the March 1993 and December 1996 **Federal Register** notices, while currently excluded from fee-funding, may have sufficient nexus for fee-funding under 21 U.S.C. 821 and 958(f) criteria.) The language of 21 U.S.C. 821 requires only that the activities listed therein ''relate to'' the registration and control of the manufacture, distribution, and dispensing of controlled substances. The primary targets and types of complaint investigations conducted by the DCP (which is a major emphasis of the DCP program) are identified below, with an explanation of how each relates to the fee-funding requirements:

1. Registrants and their employees or agents who are suspected of diverting controlled substances from legitimate channels. Investigations of registrants relate to the ''registration and control'' criteria of 21 U.S.C. 821 and/or the ''registration'' criteria of 958(f). Although employees of registrants are exempt from individual registration as agents of a registrant, their access to lawfully manufactured, distributed or dispensed controlled substances remains subject to the controls of the CSA and is the responsibility of the registrant. Registrants are required under 21 CFR 1301.71(a) to provide effective controls and procedures to guard against theft and diversion of controlled substances, including that by their employees and agents.

2. Persons who engage in pharmaceutical controlled substance smuggling, theft, robbery or trafficking. Such investigations can include, where appropriate, identifying and immobilizing the sources of supply, whether domestic or foreign, through enforcement of controls relating to the lawful manufacture, distribution or dispensing of controlled substances. These activities relate to the registration and control responsibilities of 21 U.S.C.

821 and 958(f). For example, theft or robbery may be the result of a registrant's failure to maintain required security controls or even collusion with a thief or robber, and the investigation will ensure that the deficiencies are corrected and determine whether the registrant's continued registration is in the public interest. In another example, if controlled substances lawfully manufactured or distributed in the United States are exported to avoid stringent U.S. control and then smuggled back into the United States, DEA will investigate to determine if the U.S. exporter should be prosecuted, its registration revoked or future export authorizations denied.

DEA fee-funds these investigative activities because they relate to lawful controlled substance manufacture, distribution or dispensing. Among smuggling, theft, robbery or trafficking pharmaceutical controlled substances, smuggling is perhaps the activity area with the most unclear nexus with 21 U.S.C. 821 and 958(f) criteria. Smuggling a controlled substance into, or introducing it into, the United States is importation, albeit illegal, and constitutes an activity for which DEA registration and controls are required under the CSA and its implementing regulations. Smuggling investigations relate to the registration for importing controlled substances under 21 U.S.C. 958(f) and their subsequent control once in the United States under 21 U.S.C. 821. Some smuggled pharmaceutical controlled substances are manufactured, distributed or dispensed by foreign subsidiaries of DEA registrants. Smuggled substances potentially threaten the integrity of the closed system by introducing foreign-source or even counterfeit substances into the domestic market. It is to the benefit of manufacturers and distributors that these products are eliminated from competition with their products to pharmacies, and prescribers for the assurance that they are handling only legitimate products and to the public health. The presence of these smuggled substances potentially impacts the domestic market for controlled substances manufactured, distributed and dispensed by DEA registrants.

3. Persons, both registered and non-registered, who conduct controlled substance activities without the required DEA registration or state authorization. DEA registration and state licensure are prerequisites for lawfully manufacturing, distributing, dispensing, importing and exporting controlled substances, including handling Schedule I substances in industrial, analytical or research applications. Proper registration is the keystone of the CSA's closed distribution system. Investigations to maintain the integrity of the CSA registration system directly relate to the registration and control of the manufacture, distribution and dispensing of controlled substances under 21 U.S.C. 821 and to the registration for importing and exporting controlled substances under 21 U.S.C. 958(f). DCP authority to investigate extends to registered persons who lack required state or other authorization which is a prerequisite for DEA registration, non-registered persons who are conducting controlled substance activities for which registration is required, including those who have had a registration revoked yet continue to misrepresent that they are registered, and registrants conducting activities with controlled substances not authorized by their registration. DEA fee-funds investigations of DEA registrants authorized to handle, or persons seeking registration to handle, a controlled substance that is not commercially available in the United States, but for which registration is required for its use in industrial, analytical or research applications. Investigations of these activities relate to the registration and control requirements under 21 U.S.C. 821.

4. Persons who obtain controlled substances from registrants through fraud, deceit or circumvention of the manufacturing, distribution, dispensing, importing or exporting controls, such as by fraudulent use of another person's DEA registration number, ''doctor shopping'' or prescription forgery. The CSA system of registration and control was created to prevent diversion from registrants and ideally permits detection when diversion occurs. Investigations of this type of diversion focus on the activities of non-registrants in order to determine the source of the diversion, the degree of registrant culpability (if any) and appropriate corrective action. Investigative activities involving non-registrants who obtain legitimate controlled substances are fee-funded to the extent they involve lawfully manufactured, distributed or dispensed controlled substances.

5. Drug trafficking by non-registrants of controlled substances that are fraudulently promoted as legitimate (such as herbal remedies that actually contain a controlled substance). Investigations involving products that are not lawfully marketed in the United States, but which contain a controlled substance that is lawfully marketed here, on the surface appear to be too tenuous to relate to 21 U.S.C. 821 and 958(f) criteria. ''Black Pearls'' is an example of one herbal remedy sold in health food stores that contains a controlled substance (diazepam). An example of a product trafficked as having been lawfully produced is smuggled or counterfeit anabolic steroids. Trafficking of these products sometimes occurs within the otherwise legitimate medical/pharmaceutical environment.

For investigations involving products such as smuggled anabolic steroids, the nexus to 21 U.S.C. 821 and 958(f) is discussed and described under Number 2 directly above. DEA concedes that the nexus of counterfeit substances promoted as legitimate to 21 U.S.C. 821 and 958(f) criteria seems more tenuous in comparison with other DCP activities. Counterfeit versions of controlled substances manufactured, distributed or dispensed compete with legitimate versions of that substance, thus impacting registrants lawfully handling them under the CSA. Additionally, Congress explicitly recognized the problem created by the distribution and dispensing of counterfeit controlled substances. *See* 21 U.S.C. 841(a)(2). While ''distribution'' may entail any controlled substance, ''dispensing'' by definition involves controlled substances lawfully marketed in the United States and subject to the CSA's closed system of distribution. 21 U.S.C. 802(10). Dispensing is an activity that requires DEA registration.

6. Persons who use their DEA registrations to assist in the diversion or misuse of legitimate controlled substances. The CSA provides that controlled substances may only be administered or dispensed by a practitioner in the normal course of professional practice. Unlawful registrant practices such as selling or trading controlled substances for non-medical purposes, health care fraud or self-abuse are outside the scope of activity authorized by their DEA registration. Investigative activities of such practices meet the fee-funding criteria because DEA registration enables the registrants to divert controlled substances from the CSA's closed distribution system.

To summarize, DEA fee-funds investigative activities of registrants and non-registrants when they relate to the registration and/or control of the lawful manufacture, distribution or dispensing of controlled substances.

## VII. National Forensic Laboratory Information System

One commentor objected to fee-funding the National Forensic Laboratory Information System (NFLIS),

concerned that DEA did not provide adequate information demonstrating whether the analyzed drug evidence involves licit or illicit controlled substances, resulting in registrants not knowing whether DEA is inappropriately fee-funding a system for illicit drugs.

The NFLIS is a computerized database of analyzed diverted and trafficked drug information from non-federal state and local forensic crime laboratories in the United States. The information obtained through the NFLIS, when combined with data from other sources, will present a more accurate and complete indicator of the extent of the abuse, diversion and trafficking of specific substances on a regional and national basis, providing early warning of new and changing trends. Prior to establishment of the NFLIS, DEA had to laboriously collect this data manually through separate contacts with individual laboratories nationwide.

DEA will use the NFLIS primarily for classifying and scheduling substances, setting production quotas, determining enforcement priorities and establishing drug control priorities for controlled substances lawfully manufactured, distributed or dispensed under the CSA. The CSA authorizes DEA to schedule, reschedule or deschedule substances according to specific scheduling criteria. 21 U.S.C. 811(a). The CSA requires DEA to conduct a comprehensive study of a substance, including collecting data on abuse and abuse potential before initiating any scheduling actions. 21 U.S.C. 811(b). The DCP is the DEA element responsible for conducting drug evaluations and gathering the necessary data for scheduling purposes regardless of the type of substance under consideration. The NFLIS will provide DEA with accurate, chemically verified data that will be used to support these DCP activities. *See* Section IX below for a discussion of how scheduling and production quotas relate to 21 U.S.C. 821 and 958(f).

Scheduling actions establish which substances are subject to the registration and control provisions of the CSA. There are no ''legal'' or ''illegal'' substances, only activities with controlled substances that are either legal or illegal under the CSA, depending upon their actual use. For example, there are numerous researchers registered to handle Schedule I substances (LSD, heroin, etc.,). There is obviously extensive illicit trafficking in Schedule I substances. Scientifically acceptable and meaningful use of the NFLIS for any and all scheduling actions requires the collection of data on all types of abused, diverted and trafficked substances. Data collected by the NFLIS is necessary to conduct a complete and thorough scheduling review of a substance. The analyzed drug evidence reported to NFLIS will include controlled substances that are lawfully manufactured, distributed or dispensed, as well as non-controlled but lawfully marketed substances subject to pending scheduling actions, illicit controlled substances and non-controlled substances that are purported to be controlled substances. DEA concedes that that only first type of evidence falls within the 21 U.S.C. 821 and 958(f) criteria.

As most new drugs of abuse begin as local problems, it is almost impossible to quickly detect new drugs of abuse or changes in national drug abuse trends based on DEA's STRIDE system, the database of drug analysis information of drugs purchased and seized in DEA cases. Systematic collection and analysis of non-federal forensic data are critical for the DCP to discharge its scheduling responsibilities efficiently.

Licit and illicit controlled substance data are not as separate from one another as one might believe. Existing indicators, such as the Drug Abuse Warning Network (DAWN) and the Drug Use Forecasting System (DUF), demonstrate that the majority of licit controlled substance abuse is in combination with illicit substances. In addition, lawfully marketed controlled substances have been trafficked as illicit drugs, and non-controlled substances have been sold as controlled substances. For example, traffickers have distributed diverted Dilaudid® as heroin, and substances sold as anabolic steroids have been determined to be non-controlled counterfeits. Information related to these activities that is analyzed and compiled as a result of the NFLIS will enhance overall DCP efficiency in determining which substances pose threats to the public health and safety.

While the primary purpose of the NFLIS will be for control activities related to the lawful manufacture, distribution or dispensing of controlled substances, there will be instances in which data will be used for activities unrelated to the fee-funding criteria. Most of the funding for the NFLIS thus far has occurred in establishing the system's infrastructure. As later costs to collect data or to generate a report for non-fee-fundable activities are minimal, there will be occasions when DEA provides NFLIS data for non-related regulatory and law enforcement activities. DEA will monitor NFLIS activities, and if after a reasonable period it appears that non-fee-fundable activities occur on more than a minimal basis, DEA will reevaluate its fee-funding of the NFLIS.

In summary, DEA fee-funds the NFLIS because the system will be used primarily for drug scheduling actions, setting production quotas and other diversion control activities related to 21 U.S.C. 821 and 958(f) fee-funding criteria.

**VIII. Tactical Diversion Squads (TDSs)**

One commentor objected to fee-funding DEA's Tactical Diversion Squads (TDSs), concerned that DEA described them too generally in the final rule and did not adequately explain their connection to the activities of DEA registrants.

Authority for the TDSs derives from the statutory directive to the Attorney General to cooperate with local, state and federal agencies to combat controlled substance trafficking and abuse. 21 U.S.C. 873(a). The CSA authorizes the Attorney General to assist state and local governments ''in suppressing the diversion of controlled substances from legitimate medical, scientific, and commercial channels'' by establishing cooperative investigative efforts and to enter into contractual agreements with state and local law enforcement agencies providing for cooperative enforcement and regulatory activities. 21 U.S.C. 873(a)(6) and (7). TDSs are cooperative teams of DEA diversion personnel and other federal, state and local authorities established to identify and investigate the diversion of licit controlled substances from registrants. DEA has established multi-agency TDSs in eight cities.

TDSs combine efforts by DEA and other federal, state and local law enforcement and regulatory agencies to combat the diversion of lawfully marketed controlled substances from registrants primarily at the retail level within a given geographic area. The mission of the TDSs is to concentrate a dedicated workforce to detect, investigate, disrupt and refer for prosecution, violators of federal and state controlled substance statutes pertaining to drug diversion. The TDSs develop investigative leads from information and intelligence from participating agencies, through undercover operations and the use of informants. The multi-agency efforts help coordinate the various jurisdictional responsibilities of the agencies that otherwise may hinder investigations and prosecutions, and combine program and personnel expertise to maximize resources and

enhance efforts at all levels of diversion control investigations.

Information gleaned from work of the TDSs also contribute to classification and scheduling activities, as well as to the establishment of production quotas, by generating data essential to these functions. Classification, scheduling and production quota activities relate to the control of the manufacture, distribution and dispensing of controlled substances as required by 21 U.S.C. 821. For additional justification regarding classification, scheduling and production quota activities, *see* Section IX below. Data gathered about the number of persons diverting licit controlled substances and the specific substances involved help identify drug abuse trends and patterns.

DEA fee-funds the salaries of DEA personnel, office space, travel, investigative equipment and costs, and training and overtime for state and local officers. The member agencies provide representative personnel and fund their salaries. Fee-funding TDSs is appropriate because the investigative and prosecutorial activities are directed solely against registrants and others mishandling controlled substances otherwise lawfully manufactured, distributed or dispensed.

## IX. Classification and Identification of Controlled Substances and Establishment of Production Quotas

One commentor questioned activities ''that appear to exceed the bounds of a program for which DEA registered practitioners should be expected to pay.'' The comment noted that the classification and identification of controlled substances and the establishment of production quotas appear to be ''indirect or collateral'' activities having more to do with controlled substance manufacturing and marketing than with diversion control. The commentor requested that the Office of Management and Budget (OMB) review these activities.

The DDCFA budget request and the DEA appropriated funds budget request are submitted each year to OMB through the Attorney General, the White House and Congress, which approves the requests and authorized the funding of the programs at the requested levels. Prior to publication, the December 18, 1992 **Federal Register** notice proposing to adjust the registration fee schedule and the March 22, 1993 **Federal Register** notice of the final rule establishing the fee schedule were submitted to OMB for review. 57 FR 60148 and 58 FR 15274. Therefore, the diversion control budget provisions and **Federal Register** notices relevant to the DDCFA have been submitted for review consistent with OMB's authority and jurisdiction. DEA did not submit the December 30, 1996 **Federal Register** notice describing DCP components and fee-funded activities to OMB because it was merely the publication of additional information for public comment and was not a new rule. Moreover, this notice has been reviewed by OMB.

Classification and scheduling substances relate to more than just controlled substance manufacturing and marketing. The authority to classify and schedule substances of abuse is central to the effective application of the CSA and DEA Diversion Control Program relating to the registration and control of the lawful manufacture, distribution, dispensing, import and export of controlled substances. The term ''classification'' as used in the CSA equates to the term ''scheduling.'' Classification, with its related activities, is the initial step constituting the threshold that must be met for any change of status of a substance within the five schedules, which in turn dictates the CSA controls to which it is subsequently subjected. Classification or scheduling affects all registered manufacturers, distributors and dispensers who lawfully handle the controlled substance within the closed distribution system. The DCP collects, monitors and analyzes data for recommendations to add substances to, delete substances from, or transfer substances between schedules and maintains a highly educated staff of pharmacologists and scientists to perform this work. They are experts in controlled substance pharmacology, and their opinions are sought by state, national and international officials involved in drug abuse studies. This DCP staff is responsible for ensuring that objective and comprehensive studies are undertaken on the actual and potential abuse of substances to find the balance between protecting the public health and safety, yet allowing necessary medication to be readily available for legitimate medical and scientific purposes. Each study requires an examination of the scientific literature regarding the properties of the drugs, the current controls over the drugs, data regarding annual production and consumption, and information from law enforcement, regulatory and medical sources regarding drug diversion, trafficking and abuse.

The CSA provides for the classification of substances of abuse into one of five schedules when appropriate. Such classification determines the level of controls that all registrants must then comply with when handling the controlled substance. Classification of a substance thus impacts not only how it will be handled by registered manufacturers, distributors and importers and exporters, but also how it will be administered, prescribed and dispensed by registered practitioners such as pharmacies, hospitals, physicians, dentists and veterinarians.

The language of 21 U.S.C. 821 refers to ''the registration and control * * * of controlled substances,'' and classification and scheduling of substances of abuse are the initial steps in the ''control * * * of controlled substances'' criteria of 21 U.S.C. 821. Thus, these activities meet one of the legal requirements for fee funding. DEA believes that it is reasonable to fee-fund classification/scheduling activities, and to fund the same classification/scheduling activities from different sources depending upon whether the substance of abuse is controlled or non-controlled at the start would be unworkable and not feasible. DEA has determined, therefore, that it is appropriate to fee-fund classification and scheduling activities of controlled substances and substances of abuse that are not yet controlled.

In conjunction with the classification of substances, the CSA and international treaties require that controlled substance containers include certain identifying symbols, warnings and seals. These symbols, warnings and seals identify for all legitimate handlers a controlled substance's level of control under the CSA and alert them as to how they must handle it. In clarifying how to handle the substance, the identifying symbols, warnings and seals help maintain the integrity of the closed system of controls, minimizing the risk of diversion when the substances are properly handled and securely stored. The CSA makes it unlawful to remove, alter or obliterate a required symbol or label, illustrating the importance of controlled substance identification. 21 U.S.C. 842(4).

The CSA and international treaties require DEA to determine the total quantity of certain controlled substances necessary for medical, scientific, research and industrial use in the United States and limit the manufacture of such substances to the quantity necessary for legitimate use through a system of production quotas. In recent years, DEA has issued approximately 850 quotas annually to over 200 manufacturer registrants. DEA's scientific staff works closely with the regulated industry to identify medical trends, new drugs entering the market, and manufacturing issues in order to allow U.S. manufacturers to meet

legitimate patient and distribution needs. The DCP scientific staff collects and analyzes information regarding the legitimate use, trafficking and abuse of Schedule I and II controlled substances in the United States from such sources as manufacturing and distribution reports, treatment and prescription utilization data, case data, drug abuse indicators and Department of Health and Human Services (HHS) estimates of medical use. In response to requests from controlled substance manufacturers, DCP staff conducts training sessions throughout the United States to assist these registrants in understanding the operation and goals of the quota system.

Although manufacturers are the registrants who, by virtue of their role in the closed manufacturing and distribution system, directly apply the provisions of the production quotas issued, it is inaccurate to characterize the establishment of quotas as an indirect or collateral activity primarily related to manufacturing and marketing. The establishment of production quotas is a key component in the closed system of controls. Establishing production quotas for controlled substances impacts not only the quantity manufactured and distributed by registered non-practitioners but also the availability of those substances for administering and prescribing by physicians and veterinarians, and dispensing by pharmacies. Production quotas help to ensure adequate availability of controlled substances for legitimate use by handlers at each level of the closed system. Additionally, quotas limit overproduction, minimizing diversion and abuse and ultimately reducing the need for enforcement activities against registrants and others.

The classification and identification of controlled substances and the establishment of quotas relate to the control of the lawful manufacture, distribution, dispensing, import and export of controlled substances by practitioners and other registrants. Therefore, funding these activities through fees collected from registrants is consistent with the requirement that they relate to the registration and control requirements of 21 U.S.C. 821 and 958(f).

## X. History of the Current Fee

In response to the 1993 Appropriation, DEA published a rulemaking in the **Federal Register** on March 22, 1993 to announce a new fee schedule for the Diversion Control Program (DCP) (58 FR 15272). This announcement outlined the general categories of cost to be borne by the resulting Drug Diversion Control Fee Account (DDCFA) and excluded from such outline certain DCP costs, including the cost of the Chemical Control Program. This program is responsible for the regulation and monitoring of activity involving chemicals used in illicit manufacture of controlled substances and for the investigation of the diversion of these chemicals. Following the March 22, 1993 announcement, several registrant groups filed a complaint in the United States District Court for the District of Columbia. On July 5, 1994, the district court disposed of all claims, but one of the plaintiffs, the American Medical Association (AMA), appealed to the United States Court of Appeals for the District of Columbia Circuit. In this case, *AMA* v. *Reno,* 57 F. 3d 1129 (D.C. Cir. 1995), the District of Columbia Circuit held that DEA ''was required to identify the components of the fee-funded Diversion Control Program and provide a brief explanation of why it deemed each component to be a part of that program.'' Id. At 1135. DEA has attempted to fulfill the court's mandate through a second announcement, which appeared in the **Federal Register** on December 30, 1996 (61 FR 68624).

The second announcement provided a more detailed discussion of the DCP costs to be included in, and excluded from, DEA's DDCFA charges. A table summarizing these costs follows.

| Included | Excluded |
|---|---|
| • All direct support of drug diversion control efforts, including: Diversion investigators, analysts, technicians, and clerical personnel; equipment and services associated with these positions for the registration and control of the manufacture, distribution and dispensing of controlled substances.<br>• Salaries and expenses, benefits.<br>• Travel, rent, utilities, supplies.<br>• Training. | • All direct support of chemical diversion control efforts, including payroll, benefits, travel, training, supplies and equipment. |
| Specific Activities:<br>• Development and refinement of regulations and rules re: registration and control of the manufacture, distribution and dispensing of controlled substances..<br>• Preparation for and conduct of meetings and national conferences with registrants, registrants' representatives (*e.g.,* associations, etc.), law enforcement representatives, and other interested parties..<br>• Responding to inquiries from industry, law enforcement, regulatory personnel, Congress, and federal agencies..<br>• Classification and scheduling of substances, including the collection and analysis of necessary data, providing information to international, national and state entities re: scheduling of substances, responding to scheduling petitions, providing testimony and expert guidance and assistance, and working with law enforcement agencies, the scientific community, industry, the public and other interested parties..<br>• Identification of controlled substances for the control of the lawful manufacture, distribution, dispensing, and export of controlled substances by practitioners and other registrants..<br>• Establishment of quotas for certain controlled and substances for medical, scientific, research and industrial use and monitoring of the manufacture, utilization, trafficking an abuse of controlled substances against the quotas..<br>• Conduct of training seminars for industry on controlled substances, including quotas, etc.. | Specific Activities:<br>• Chemical control.<br>• Clandestine laboratories.<br>• Overseas positions.<br>• Chief Counsel support.<br>• Executive Direction.<br>• DEA automated data processing systems and support (except ARCOS and CSA).<br>• Office of Training staff.<br>• DEA management and administrative support.<br>• Office of Congressional and Public Affairs support.<br>• Intelligence support.<br>• Development of non-drug related materials such as the Chemical Handlers Manual.<br>• Chemical Laboratory Services Support. |

| Included | Excluded |
|---|---|
| • Registration of persons authorized to manufacture, distribute, dispense, import, or export controlled substances, including registration of persons conducting research with Schedule I controlled substances in conjunction with FDA and distribution of registrant information to other DEA elements , Federal, state and local regulatory personnel, and registrants as necessary..<br>• Conduct of other investigations including pre-registrant investigations and cyclic investigations of registrants' records/inventories..<br>• Participation in any civil or criminal action resulting from above-referenced investigations..<br>• Operation of system of declarations and permits for importers and exporters of controlled substances to comply with CSA and international treaties. This includes examining request for permission to import or export controlled substances and maintenance of records, monitoring of imports of controlled substances to ensure they are consistent with domestic need, and preparation of reports..<br>• Participation in international policy activities re: the manufacture, distribution, dispensing, import and export of controlled substances and the strengthening of controls in these areas to comply with CSA and international treaties/conventions, including participating in United Nations policy activities and international meetings/conferences; developing and formulating policy; and developing substantive materials and research papers. Note, fee-funded activities in this area are limited to domestic personnel (personnel assigned to overseas positions are supported through appropriated funds)..<br>• Providing assistance to foreign authorities and governments with their diversion control systems to improve the design and administration of, and cooperation regarding, controlled substances and chemical controls..<br>• Participation in cooperative efforts with other officials involved in diversion control activities (*e.g.,* Federal, state, local, and national and local pharmaceutical and health care organizations) and maintenance of an active liaison program..<br>• Development of information manuals and materials for industry such as Pharmacist's Manual, Practitioner's Manual, Mid-Level Practitioner's Manual, and the Security Outline to the Controlled Substances Act..<br>• Enforcement of the Anabolic Steroid Control Act..<br>• Operation of ARCOS and CSA data systems..<br>• Establishment and operation of National Forensic Laboratory Information System..<br>• Establishment and operation of Tactical Diversion Squads.. | |

The increased detail of the December 30, 1996 announcement did not address all concerns, however. Several of the commentors asserted that DEA failed in the first DDCFA rulemaking and in the December 1996 **Federal Register** notice to articulate how it had arrived at the amount for the registration fee increase in 1993 and failed to provide adequate justification for the increase. One commentor concluded that ''[t]he thing that bothers many of us is that it appears the amount of increase was ''picked out of the air'' and there was no justification for that much of an increase.''

The 1993 Appropriations Act mandates: (a) That DEA deposit each fiscal year's fee revenue in excess of $15 million into an account for ''offsetting receipts'' (*i.e.,* the first $15 million collected must remain in the General Fund of the Treasury); (b) that revenue deposited into such account ''remain available until expended''; (c) that the fees funding this account ''be set at a level that ensures the recovery of the full costs of the various aspects'' of the DCP; (d) that DEA ''be refunded in accordance with estimates made in the budget request of the Attorney General''; and (e) that the Attorney General ''prepare and submit annually to the Congress, statements of financial conditions of the account''. 21 U.S.C. 886a.

The 1993 Appropriations Act augments DEA's previously established authority, pursuant to 21 U.S.C. 821, to collect offsetting fees by requiring that DEA fund the entire DCP with registration fees. Because previously established fees were insufficient to recover the full cost of operating the DCP, the 1993 legislation made a fee increase unavoidable. Because the law required recovery of the ''full costs'' of the program and because the law required all fee revenue to ''remain available until expended,'' DEA knew that any excess or surplus collected would remain in the fee account until it could be used for an appropriate DCP purpose.

DEA's method for estimating the full cost of the DCP has been a traditional approach: modular costing. This approach is required under the Department of Justice (DOJ) Instructions for the Preparation of Budget Estimates and is consistent with Office of Management and Budget (OMB) Circular A–11, Section 30.5; and both DOJ and OMB review the cost modules presented with each of DEA's three annual budget drafts. A modular cost is the total organizational burden of each incremental employment position in an organization. Such burden extends beyond the salary and benefits of a new position and includes all other resource requirements (including supplies, utilities, rent, training, etc.) resulting from the position's existence. Cost estimation may also accommodate fixed program increases: such fixed costs are incorporated into each budget request under the separate heading ''Non-Personnel Costs''. The modular costing method is useful because it enables budget formulators to project the cost of additional resources without recalculating the base cost of the underlying program. If the underlying program is modified or broken into components, however, the base cost of the resulting program(s) must be calculated afresh. The DCP's division into one appropriation-funded component and one fee-funded component made just such a base cost recalculation necessary.

In 1992, prior to passage of the 1993 Appropriation Act, DEA's FY94 budget

request for the DCP was represented partially under the Drug and Chemical Diversion Control Decision Unit and partially under other decision units. These decision units were not developed to enable DEA to track such individual programs as the DCP, and even the Drug and Chemical Diversion Control Decision Unit was not identical with the DCP. Many of the costs of the DCP were managed under other decision units. The cost of DCP budgeting and accounting, for example, was borne under DEA's Management and Administration decision unit. DEA was therefore unprepared to collect a fee recovering the full costs of a program which (a) could not be disaggregated in the DEA Accounting System (DEAAS, the automated accounting system in use at the time) and (b) was managed by several offices within the agency. Yet, with the passage of the 1993 Appropriation DEA was obliged to develop a new estimate of total DCP cost, including costs of the program not previously budgeted under the Drug and Chemical Diversion Control Decision Unit.

To achieve such a first-time, full cost estimation of the DDCFA-funded portion of the DCP, DEA assigned each object group (or general cost element, such as salaries, benefits, training *etc.*) a budgeted cost based on the ratio of projected DDCFA workyears (one workyear equals 2,080 hours worked by an individual) to projected Salary and Expense Appropriation (S&E) workyears. The budgeted cost of items intended for both DCP and non-DCP use (*e.g.,* utilities, postal expenses, office services, and furniture) was prorated between DDCFA and the S&E account in proportion to the ratio of projected DDCFA workyears to projected S&E workyears. The budgeted cost of such dedicated DCP activities as the Administrative Law Judges' office, on the other hand, was assigned entirely to the DDCFA because 100 percent of that office's activities were related to drug diversion control at that time. When DEA prepared the initial estimate of FY94 DDCFA cost, budgeted DDCFA workyears totaled 555, in comparison with 6,602 total budgeted DEA workyears. The ratio of DDCFA workyears to total DEA workyears, accordingly, was 8.31 percent (555 divided by 6,602). DEA also prorated payroll costs and non-foreign space rent and alterations in proportion to the projected workyears billable to the DDCFA as a percentage of DEA's total projected workyears.

The amount DEA originally projected as the total operating cost of the DCP for FY94 was $62,917,000. Yet this estimate included the cost of ''chemical'' diversion control: the regulation and monitoring of activity involving chemicals used in the illicit manufacture of controlled substances and the investigation of the diversion of these chemicals. Because DEA had independently determined not to fee-fund the cost of ''chemical'' diversion control, it reduced its request for DDCFA obligating authority (and thereby its minimum fee revenue target) to $57,123,000. The remaining $5,794,000 of the DCP's projected FY94 cost fell under the modified (and still S&E-funded) Chemical Diversion Control Decision Unit.

DEA's original estimation of the DDCFA-billable portion of the DCP was, if anything, too conservative, especially inasmuch as it did not capture a significant non-programmatic item. In addition to the direct program elements discussed in the December 30, 1996 **Federal Register** announcement and outlined above, DEA must transfer the first $15 million of fee revenue to the General Fund of the Treasury each year. 21 U.S.C. 886a(1). DEA's failure to include this surcharge (which is not driven by the number of DCP employees and is therefore not captured in DEA's DCP cost modules) in its calculation of the DDCFA fee did not impede cash flow until FY99, however, because Congress had appropriated an offsetting $15 million supplement to the DDCFA for every year from FY93 (the year of the DDCFA's inception) through FY98. Indeed, because of the offsetting appropriation of $15 million from FY93 through FY98 (a total infusion to the DDCFA of $90 million), the DDCFA had spent $21 million more than its cumulative revenue but was still showing a $69 million surplus ($90 million minus $21 million) in FY99. The DDCFA surplus, even at its peak of $69 million in FY99, in other words, was artificial and predicated on a supplemental appropriation not provided for in 21 U.S.C. 886a.

The DDCFA's actual cash flow has turned negative with (a) the discontinuation of the $15 million supplemental appropriation in FY99 and (b) the growth of DCP responsibilities. Some DCP growth has been reflected in DEA budget submissions, as when DEA requested and received authority (in FY97) to create Tactical Diversion Squads (TDSs) in various field locations. Other DCP expansions have not been reflected in DEA budget submissions, as when DEA implemented its initial response to internet-based drug diversion, or when DEA increased the number of drug diversion cases leading to arrest. (The number of diversion arrests more than doubled in just five years, from 444 arrests in FY95 to 935 diversion arrests relating to drug cases alone in FY00.) Yet, notwithstanding such growth due to both budgeted and unbudgeted DCP expansions, DEA has not increased the fee supporting the DDCFA since FY93.

In the meantime, DEA has also faced a management challenge extending beyond the DDCFA. Before Fiscal Year 1998 (FY98), DEA relied upon DEAAS. DEAAS was adequate for the purposes of a law enforcement organization with a single funding source and streamlined agenda, but as both enforcement and diversion control mandates began to expand in the 1990s (and in order to comply with laws requiring auditable financial statements) DEA replaced DEAAS with a better-suited accounting system.

The replacement, DEA's current Federal Financial System (FFS), is more flexible and has enabled DEA to track all obligations and expenditures (not merely those incurred under the DDCFA) through a greater variety of cost centers and programs. But this improved accounting capability was not available until FY98. Prior to FY98, a deficiency of accounting controls throughout DEA's management structure resulted in the inadequate tracking of all DEA funds—not just the DDCFA. For FY97 and before, accordingly, DEA's annual independent financial audit resulted in an unsatisfactory opinion of DEA's accounts and financial statements. Yet even in FY93 DEA attempted to comply with the law establishing the DDCFA.

## XI. Accumulation and Distribution of Surplus

Each of the five commentors addressed the surplus, with all but one asserting that DEA must either issue a refund to the fee-paying registrants or reduce future fees. As noted in the December 1996 **Federal Register** notice, this surplus (or positive cash balance) began to accrue shortly after the establishment of the DDCFA. The surplus totaled $45 million as of September 1996 and had risen to $69 million by February 1999. Note in the table below that the bottom line ''Carryover'' figure represents the DDCFA surplus at the end of a given fiscal year. This surplus grew through FY98 (the last fiscal year during which DEA received a supplemental $15 million appropriation for the DDCFA) and has declined through the present. Because the surplus is expected to become a deficit shortly after the end of FY02, there are no funds to support a

refund to registrants, as all remaining DDCFA funds will be expended.

DRUG ENFORCEMENT ADMINISTRATION DIVERSION CONTROL FEE ACCOUNT (DDCFA)

[Cash flow summary (dollars in thousands)]

| | FY93 | FY94 | FY95 | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 | FY02 (Est.) | FY03 (Est.) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DDCFA Authority [1] | 12,000 | 42,123 | 57,178 | 62,188 | 67,824 | 73,268 | 76,710 | 80,330 | 83,543 | 86,021 | [2] 116,462 |
| Carry over from Prior Year | ..... | 7,201 | 28,939 | 37,230 | 45,284 | 61,724 | 69,313 | 53,168 | 44,699 | 36,072 | 10,018 |
| Rescinded Authority | ..... | ..... | ..... | ..... | ..... | ..... | (7,000) | (35,000) | (8,000) | ..... | ..... |
| Net Carryover [3] | ..... | 7,201 | 28,939 | 37,230 | 45,284 | 61,724 | 62,313 | 18,168 | 36,699 | 36,072 | 10,018 |
| Revenue: | | | | | | | | | | | |
| Collections [4] | 19,201 | 69,609 | 61,258 | 65,160 | 75,003 | 69,668 | 69,301 | 75,232 | 75,099 | 74,967 | 74,967 |
| Supplemental Appropriation | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | ..... | ..... | ..... | ..... | ..... |
| Less: General Treasury Surcharge | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) |
| Net Revenue | 19,201 | 69,609 | 61,258 | 65,160 | 75,003 | 69,668 | 54,301 | 60,232 | 60,099 | 59,967 | 59,967 |
| Obligations: | | | | | | | | | | | |
| Gross Obligations [4] | 12,000 | 47,871 | 53,294 | 57,106 | 61,951 | 62,961 | 71,772 | 74,121 | 77,272 | 86,021 | 116,462 |
| Adjustments & Deobligations | ..... | ..... | (327) | ..... | (3,388) | (882) | (1,326) | (5,420) | (8,546) | ..... | ..... |
| Net Obligations | 12,000 | 47,871 | 52,967 | 57,106 | 58,563 | 62,079 | 70,446 | 68,701 | 68,726 | 86,021 | 116,462 |
| Fiscal Year End Balance | 7,201 | 28,939 | 37,230 | 45,284 | 61,724 | 69,313 | 46,168 | 9,699 | 28,072 | 10,018 | (44,795) |
| Restored Authority | ..... | ..... | ..... | ..... | ..... | ..... | 7,000 | 35,000 | 8,000 | ..... | ..... |
| Carryover | 7,201 | 28,939 | 37,230 | 45,284 | 61,724 | 69,313 | 53,168 | 44,699 | 36,072 | 10,018 | (44,795) |

[1] Estimate of DDCFA-funded program is provided to Congress two years before execution and is subsequently authorized (but not appropriated).
[2] The collection of $116,462 in FY03 will require prior implementation of a revised fee structure.
[3] Carryover equals the Unobligated Balance shown on the final FMS Form 2108, after release of which Adjustments & Deobligations are shown in the subsequent year.
[4] Gross Obligations and Collections are based on DEA's most recent Financial Management System (FMS) Form 133, prior to availability of which an estimate is provided.

A second series of tables on subsequent pages, entitled ''Validated vs. Actual DCP Program Charges to the DDCFA'', shows the accumulation and subsequent depletion of the DDCFA surplus.

The commentors stated that in (ostensibly) failing to project the costs of the DCP accurately, DEA overestimated initial program costs and calculated an excessive fee, which resulted in a significant surplus. Yet, rather than overestimating DCP costs, DEA appears, as discussed above, to have underestimated such costs drastically. DEA has followed the OMB-approved DOJ Instructions for the Preparation of Budget Estimates to project future DCP costs from the inception of the DDCFA through the present. Indeed, for all fiscal years since FY93, DEA's programmatic requirements of the DDCFA are defended in this section, below. Unfortunately, DEA has not charged the DDCFA for all fee-fundable costs, including the mandated annual $15 million transfer to the General Treasury. Thus the surplus accumulated between FY93 and FY98 was attributable not to *overestimations* of future DDCFA need but to subsequent *underbilling* of actual DDCFA-fundable activity and costs.

Perhaps confusingly, DEA's general underbilling of the DDCFA has accompanied occasional instances of DDCFA overcharge within a particular cost category. In FY96, for example, rent charges to the DDCFA appear to have exceeded a reasonable amount by at least $2.1 million. Yet for the same year DEA's estimate of valid DDCFA information technology charges (*e.g.* for Diversion Investigators' desktop computers, as distinct from network infrastructure charges provided for under DEA's Salaries and Expenses appropriation) is greater than actual DDCFA information technology charges by $3.3 million. DEA appears to have overcharged the DDCFA for rent in FY96, in other words, but other allowance centers were undercharging the DDCFA to an even greater degree during the same period.

A particular area of confusion between legitimate and illegitimate uses of the DDCFA has been the boundary separating ''chemical'' from ''non-chemical'' DCP activities. This boundary crosses through a range of cost categories, from payroll to training. In its 1993 **Federal Register** notice, and during the course of the *AMA* v. *Reno* litigation, DEA stated it was not charging the costs of enforcing the Chemical Diversion and Trafficking Act to the DDCFA. DEA has since discovered these statements to have been in error. DEA has identified numerous examples of chemical costs erroneously charged to the DDCFA and of DDCFA-fundable items erroneously charged to the Chemical Decision Unit. Such errors resulted from a failure in some DEA offices to understand (and therefore implement) internal directives to use multiple fund sources for obligations with both a chemical and a non-chemical purpose. Because the errors resulted from a failure of understanding, however, they resulted, in turn, in mischarges to both the DDCFA and to the appropriation for the Chemical Decision Unit. The analysis presented below was performed in order to quantify the full extent of such funding errors and to determine whether there was any net overcharge to the DDCFA.

Before FY00, a common cause of chemical mischarges was erroneous ''split-funding.'' Items purchased in support of the entire DCP—for both chemical and non-chemical activities—were not consistently prorated by purpose (*i.e.,* ''split-funded'') until FY00. Such items (including photocopiers and automobile repairs) should have been charged to the DDCFA in proportion to the ratio of non-chemical to chemical activity, but such ''split funding'' was not effectively instituted (despite earlier guidance) until FY00. The analysis below takes these and other DDCFA mischarges into account by imputing a legitimate DDCFA burden based on workyear consumption. The results of this calculation suggest that DDCFA overcharges are *more than offset* by DDCFA undercharges.

DEA has acted in good faith to address and resolve accounting and managerial deficiencies connected with both the DDCFA and other programs. The replacement of DEAAS with FFS arose not just from DDCFA challenges but also from the need to isolate the cost of such major appropriation-funded DEA programs as Source Country Interdiction and Mobile Enforcement Teams. To validate DDCFA charges

under the abandoned DEAAS system, DEA has performed two independent retrospective analyses of actual DDCFA billings since FY93. Both of these analyses have confirmed (a) that DEA's original projections of DDCFA need (as presented to Congress and subsequently used as the basis for fee collections) were overly conservative and (b) that the DEA also should have charged the DDCFA more in the aggregate for every year through FY00.

DEA began its first analysis with a calculation of the ratio of DDCFA to non-DDCFA work years consumed. Only domestic, non-chemical DCP work years (as broken out in DEA's budget submissions to Congress) were included in this calculation. These work years correspond to DCP positions assigned to drug diversion control efforts. DEA multiplied the resulting ratio by non-DDCFA actual expenditures (a figure also provided in DEA's Congressional budget submissions and consistently greater than 90 percent of DEA's total expenditures). The resulting total for FY93 through FY00, $672,745,000, was then multiplied by 67 percent to reflect the relatively lower cost of a DEA Diversion Investigator (the core position supporting DEA's DDCFA-funded activities) in comparison with a DEA Special Agent (the core position supporting DEA's appropriation-funded activities). The result of this last calculation was $449,227,000: $8,129,000 more than the $441,098,000 actually charged to the DDCFA for FY93 through FY00. This calculation is not a traditional budget estimation technique, yet it corroborates the actual charges originally provided for in the official budget process. It answers the commonsense question, ''What if DEA had never developed a DCP budget: was the money spent from the DDCFA proportional to the number of Diversion Investigators assigned to drug diversion control efforts?'' The resulting estimate of total drug diversion control cost is approximately $8 million greater than the actual charges to the DDCFA (as recorded in DEA's accounting system) during the same period, even before adding the $15 million annual surcharge (required transfer to the U.S. Treasury).

This first analysis addresses the possibility of DDCFA overcharges at the bottom line. The analysis assigns all DEA costs to one of two categories (DDCFA or non-DDCFA) based on the number of work years reported for each category. This analysis leaves untested the cost elements adding into the bottom line. To validate these components, DEA designed a second test of the DDCFA charges in FFS for FY99. In this second diagnostic, DEA met with each headquarters office holding DDCFA obligation authority and verified actual procedures and obligations. DDCFA obligations found not to comport with DEA's announcements in the **Federal Register** were removed from the obligating office's validated total, while DDCFA charges provided for (but not made because of accounting and managerial errors) in the same announcements were added. For field offices, whose authority to obligate DDCFA funds is limited, the principle problem identified was a failure to split-fund (*i.e.,* draw a proportional amount from more than one fund source for a single item) non-travel items.

DEA next sought to extend this analysis of FY99 FFS data back to the beginning of the DDCFA (in FY93). To develop this extrapolation, DEA identified actual drug diversion control work hours stored in the Workhour Reporting System (WRS, a system tracking both the drug diversion control and chemical diversion control work hours reported by Diversion Investigators on DEA Form 351) and the wage and non-wage cost inflators reported to Congress in each fiscal year's budget request. DEA then projected valid DDCFA charges in reverse for FY93 through FY98 by carrying the directly validated FY99 data backward and adjusting for inflation and WRS data in each year. Finally, DEA compared this retrospective projection with the certified actual accounting data stored for the same fiscal years and offices.

The result was striking. In every year of this analysis, the actual DDCFA charges recorded in DEA's accounting system are significantly lower than what an inflation-adjusted, workhour-proportional projection generates. In the earlier years (FY93 through FY95), the difference is greater than $40 million per year. Later, as DEA began to make further legitimate use (even after invalidation of selected misuses) of the DDCFA, this annual difference recedes to just over $16 million. But in every year, DEA undercharged the DDCFA to a greater degree, and in more allowance centers, than the total of particular overcharges ultimately identified. The tables showing the results of this analysis follow.

| Validated vs. actual DCP program charges to the DDCFA—Item | Validated | Obligated/incurred | Undercharge (overcharge) |
|---|---|---|---|
| | **Fiscal year 1993** | | |
| Diversion Control Work Hours | ..... | 274,960 | ..... |
| Drug Diversion Control Work Hours | ..... | 253,946 | ..... |
| Split-Funding Drug Portion | ..... | 92% | ..... |
| Wage Inflation Factor Used for DEA Budget | ..... | 2.0% | ..... |
| Non-wage Inflation Factor Used for DEA Budget | ..... | 2.6% | ..... |
| Payroll/Benefits | 20,736,431 | 12,000,000 | 8,736,431 |
| Rent/Utilities | 6,982,552 | ..... | 6,982,552 |
| DCP Management | 3,787,819 | ..... | 3,787,819 |
| Information Systems | 3,214,756 | ..... | 3,214,756 |
| Staff Relocation | 2,197,040 | ..... | 2,197,040 |
| Field Operations | 1,187,364 | ..... | 1,187,364 |
| Staff Training | 912,791 | ..... | 912,791 |
| Investigative Tech | 791,779 | ..... | 791,779 |
| Facility Security | 531,529 | ..... | 531,529 |
| Health Services | 161,259 | ..... | 161,259 |
| Forensic Sciences | 140,117 | ..... | 140,117 |
| Interest Penalties | 71,552 | ..... | 71,552 |
| Administrative Law | 40,297 | ..... | 40,297 |
| Total | 40,755,287 | 12,000,000 | 28,755,287 |

| Validated vs. actual DCP program charges to the DDCFA—Item | Validated | Obligated/incurred | Undercharge (overcharge) |
|---|---|---|---|
| Field Split-Funding Mischarges (NonTravel) | ..... | ..... | ..... |
| Net Undercharge (Overcharge) | ..... | ..... | 28,755,287 |
| Cumulative Net DDCFA Undercharge from FY93 | ..... | ..... | 28,755,287 |
| | **Fiscal year 1994** | | |
| Diversion Control Work Hours | ..... | 493,982 | ..... |
| Drug Diversion Control Work Hours | ..... | 466,200 | ..... |
| Split-Funding Drug Portion | ..... | 94% | ..... |
| Wage Inflation Factor Used for DEA Budget | ..... | 2.0% | ..... |
| Non-wage Inflation Factor Used for DEA Budget | ..... | 2.6% | ..... |
| Payroll/Benefits | 38,829,816 | 30,681,201 | 8,148,615 |
| Rent/Utilities | 13,152,027 | 12,662,303 | 489,724 |
| DCP Management | 7,134,570 | 752,964 | 6,381,605 |
| Information Systems | 6,055,172 | 546,115 | 5,509,057 |
| Staff Relocation | 4,138,249 | 483,060 | 3,655,188 |
| Field Operations | 2,236,466 | 1,298,223 | 938,242 |
| Staff Training | 1,719,293 | 449,291 | 1,270,002 |
| Investigative Tech | 1,491,360 | 1,068,591 | 422,769 |
| Facility Security | 1,001,165 | 451,073 | 550,092 |
| Health Services | 303,740 | 67,957 | 235,783 |
| Forensic Sciences | 263,919 | ..... | 263,919 |
| Interest Penalties | 134,773 | ..... | 134,773 |
| Administrative Law | 75,901 | 56,760 | 19,141 |
| Total | 76,536,451 | 48,517,539 | 28,018,912 |
| Field Split-Funding Mischarges (NonTravel) | ..... | ..... | 46,723 |
| Net Undercharge (Overcharge) | ..... | ..... | 27,972,188 |
| Cumulative Net DDCFA Undercharge from FY93 | ..... | ..... | 56,727,475 |
| | **Fiscal year 1995** | | |
| Diversion Control Work Hours | ..... | 485,937 | ..... |
| Drug Diversion Control Work Hours | ..... | 461,089 | ..... |
| Split-Funding Drug Portion | ..... | 95% | ..... |
| Wage Inflation Factor Used for DEA Budget | ..... | 2.0% | ..... |
| Non-wage Inflation Factor Used for DEA Budget | ..... | 2.6% | ..... |
| Payroll/Benefits | 39,172,203 | 29,874,828 | 9,297,375 |
| Rent/Utilities | 13,346,044 | 13,616,909 | (270,865) |
| DCP Management | 7,239,818 | 1,003,812 | 6,236,006 |
| Information Systems | 6,144,497 | 1,943,983 | 4,200,514 |
| Staff Relocation | 4,199,295 | 1,833,917 | 2,365,379 |
| Field Operations | 2,269,458 | 1,665,859 | 603,598 |
| Staff Training | 1,744,656 | 534,204 | 1,210,452 |
| Investigative Tech | 1,513,361 | 1,070,050 | 443,311 |
| Facility Security | 1,015,934 | 480,750 | 535,184 |
| Health Services | 308,221 | 109,170 | 199,051 |
| Forensic Sciences | 267,812 | ..... | 267,812 |
| Interest Penalties | 136,761 | ..... | 136,761 |
| Administrative Law | 77,021 | 69,721 | 7,300 |
| Total | 77,435,081 | 52,203,202 | 25,231,878 |
| Field Split-Funding Mischarges (NonTravel) | ..... | ..... | 57,293 |
| Net Undercharge (Overcharge) | ..... | ..... | 25,174,585 |
| Cumulative Net DDCFA Undercharge from FY93 | ..... | ..... | 81,902,060 |
| | **Fiscal year 1996** | | |
| Diversion Control Work Hours | ..... | 468,677 | ..... |
| Drug Diversion Control Work Hours | ..... | 430,032 | ..... |
| Split-Funding Drug Portion | ..... | 92% | ..... |
| Wage Inflation Factor Used for DEA Budget | ..... | 2.2% | ..... |
| Non-wage Inflation Factor Used for DEA Budget | ..... | 3.0% | ..... |
| Payroll/Benefits | 37,337,472 | 31,120,120 | 6,217,352 |
| Rent/Utilities | 12,820,525 | 14,921,408 | (2,100,883) |
| DCP Management | 6,954,740 | 1,083,346 | 5,871,394 |
| Information Systems | 5,902,548 | 2,602,958 | 3,299,591 |
| Staff Relocation | 4,033,942 | 1,759,553 | 2,274,389 |
| Field Operations | 2,180,095 | 1,822,990 | 357,104 |
| Staff Training | 1,675,958 | 1,026,738 | 649,220 |
| Investigative Tech | 1,453,770 | 1,287,820 | 165,950 |

| Validated vs. actual DCP program charges to the DDCFA—Item | Validated | Obligated/incurred | Undercharge (overcharge) |
|---|---|---|---|
| Facility Security | 975,930 | 442,216 | 533,714 |
| Health Services | 296,084 | 141,197 | 154,887 |
| Forensic Sciences | 257,267 | ..... | 257,267 |
| Interest Penalties | 131,376 | 32,374 | 99,002 |
| Administrative Law | 73,988 | 43,659 | 30,329 |
| Total | 74,093,694 | 56,284,378 | 17,809,316 |
| Field Split-Funding Mischarges (NonTravel) | ..... | ..... | 107,017 |
| Net Undercharge (Overcharge) | ..... | ..... | 17,702,299 |
| Cumulative Net DDCFA Undercharge from FY93 | ..... | ..... | 99,604,360 |
| | **Fiscal Year 1997** | | |
| Diversion Control Work Hours | ..... | 443,458 | ..... |
| Drug Diversion Control Work Hours | ..... | 397,002 | ..... |
| Split-Funding Drug Portion | ..... | 90% | ..... |
| Wage Inflation Factor Used for DEA Budget | ..... | 3.0% | ..... |
| Non-wage Inflation Factor Used for DEA Budget | ..... | 3.1% | ..... |
| Payroll/Benefits | 35,503,736 | 31,009,637 | 4,494,099 |
| Rent/Utilities | 12,202,713 | 14,358,276 | (2,155,563) |
| DCP Management | 6,619,596 | 4,649,140 | 1,970,455 |
| Information Systems | 5,618,109 | 4,655,344 | 962,765 |
| Staff Relocation | 3,839,549 | 2,180,000 | 1,659,549 |
| Field Operations | 2,075,037 | 1,987,268 | 87,770 |
| Staff Training | 1,595,195 | 1,534,400 | 60,794 |
| Investigative Tech | 1,383,714 | 628,795 | 754,919 |
| Facility Security | 928,901 | 560,178 | 368,723 |
| Health Services | 281,816 | 146,499 | 135,317 |
| Forensic Sciences | 244,869 | ..... | 244,869 |
| Interest Penalties | 125,045 | ..... | 125,045 |
| Administrative Law | 70,422 | 242,833 | (172,410) |
| Total | 70,488,701 | 61,952,370 | 8,536,332 |
| Field Split-Funding Mischarges (NonTravel) | ..... | ..... | 133,277 |
| Net Undercharge (Overcharge) | ..... | ..... | 8,403,054 |
| Cumulative Net DDCFA Undercharge from FY93 | ..... | ..... | 108,007,414 |
| | **Fiscal year 1998** | | |
| Diversion Control Work Hours | ..... | 501,861 | ..... |
| Drug Diversion Control Work Hours | ..... | 386,771 | ..... |
| Split-Funding Drug Portion | ..... | 77% | ..... |
| Wage Inflation Factor Used for DEA Budget | ..... | 3.1% | ..... |
| Non-wage Inflation Factor Used for DEA Budget | ..... | 2.8% | ..... |
| Payroll/Benefits | 35,661,034 | 36,426,300 | (765,266) |
| Rent/Utilities | 12,221,111 | 13,926,300 | (1,705,189) |
| DCP Management | 6,629,576 | 3,209,600 | 3,419,976 |
| Information Systems | 5,626,580 | 3,092,800 | 2,533,780 |
| Staff Relocation | 3,845,338 | 1,949,900 | 1,895,438 |
| Field Operations | 2,078,166 | 2,316,600 | (238,434) |
| Staff Training | 1,597,600 | 921,700 | 675,900 |
| Investigative Tech | 1,385,800 | 200,300 | 1,185,500 |
| Facility Security | 930,301 | 1,060,900 | (130,599) |
| Health Services | 282,241 | 118,600 | 163,641 |
| Forensic Sciences | 245,238 | ..... | 245,238 |
| Interest Penalties | 125,233 | ..... | 125,233 |
| Administrative Law | 70,529 | 95,800 | (25,271) |
| Total | 70,698,748 | 63,318,800 | 7,379,948 |
| Field Split-Funding (Non Travel) | ..... | ..... | 324,747 |
| Net Undercharge (Overcharge) | ..... | ..... | 7,055,201 |
| Cumulative Net DDCFA Undercharge from FY93 | ..... | ..... | 115,062,615 |
| | **Fiscal year 1999** | | |
| Diversion Control Work Hours | ..... | 484,083 | ..... |
| Drug Diversion Control Work | ..... | 386,171 | ..... |
| Split-Funding Drug Portion | ..... | 80% | ..... |
| Wage Inflation Factor Used for DEA Budget | ..... | 3.0% | ..... |
| Non-wage Inflation Factor Used for DEA Budget | ..... | 2.1% | ..... |
| Payroll/Benefits | 36,673,884 | 38,484,803 | (1,810,919) |

| Validated vs. actual DCP program charges to the DDCFA—Item | Validated | Obligated/incurred | Undercharge (overcharge) |
|---|---|---|---|
| Rent/Utilities | 12,458,398 | 16,111,600 | (3,653,202) |
| DCP Management | 6,758,297 | 6,402,810 | 355,487 |
| Information Systems | 5,735,826 | 3,831,504 | 1,904,322 |
| Staff Relocation | 3,920,000 | 1,397,306 | 2,522,694 |
| Field Operations | 2,118,516 | 2,895,754 | (777,238) |
| Staff Training | 1,628,619 | 1,139,564 | 489,055 |
| Investigative Tech | 1,412,707 | 11,549 | 1,401,158 |
| Facility Security | 948,364 | ..... | 948,364 |
| Health Services | 287,721 | 121,800 | 165,921 |
| Forensic Sciences | 250,000 | 249,861 | 139 |
| Interest Penalties | 127,665 | 149,517 | (21,852) |
| Administrative Law | 71,898 | 71,898 | (0) |
| Total | 72,391,895 | 70,867,965 | 1,523,930 |
| Field Split-Funding Mischarges (NonTravel) | ..... | ..... | 438,812 |
| Net Undercharge (Overcharge) | ..... | ..... | 1,085,118 |
| Cumulative Net DDCFA Undercharge from FY93 | ..... | ..... | 116,147,733 |

The preceding tables of ''Validated vs. Actual Charges'' show three quantitative columns for each fiscal year from FY93 through FY99. The first quantitative column shows the ''Validated'' amount, or the dollars that should have been charged (in accordance with the aforementioned itemized review of all FY99 DDCFA charges) to the DDCFA. The second quantitative column shows the ''Obligated/Incurred'' amount, or the dollars which actually were charged to the DDCFA. (Note that, given the deficiencies of DEAAS, this column does not necessarily reflect the accurate subtotal of each item listed; but the column does show exactly what was spent bottom line level for the years in question.) The third column (the first column minus the second column) shows the ''Undercharge (Overcharge)'' amount or dollars that should have been charged over and above what was charged to the DDCFA. The rows of the preceding tables represent the DCP's major items, from Payroll/Benefits to Regulatory Law. Two item names which may not be immediately self-evident are ''Interest Penalties'' (which are required by law to accompany late vendor payments) and ''Administrative Law'' (which, as distinct from the DEA executive administration chief counsel's office, is the independent function required under 21 CFR 1316.41 *et seq.* whereby DEA hears and resolves disputes regarding potential registrant violations).

For each fiscal year, the ''Validated'' charges shown above are adjusted to reflect (a) the wage and non-wage inflation factors for that year (shown at the top of each table) and (b) the ratio of Drug Diversion Control Work Hours to Diversion Control Work Hours, or Split-Funding Drug Portion (also shown at the top of each table). Note that adjustment (b) is based on work hours stored in WRS (DEA's system for tracking the purpose (drug or chemical) of Diversion Investigator hours worked). Thus, in FY93, DEA charged the DDCFA $12 million for salaries and benefits but did not bill the DDCFA for DCP administrative law functions, even though the cost of such functions is provided for in DEA's 1996 **Federal Register** announcement. When all such undercharges (together with consideration that FY93 payroll should have been over $20 million) are tallied, the result is a DDCFA undercharge exceeding $28 million in FY93 alone, even before adding the non-programmatic $15 million surcharge for that year.

While DEA is confident that the DDCFA was not overcharged in total between FY93 and the present, the agency is still moving toward a more precise accounting standard. In FY01 DEA created a task force to review each obligation of DDCFA funds for which the total cost to be incurred is $500 or greater. This task force also works closely with each DDCFA-funded office to establish a clear understanding of proper procedure and documentation, and its efforts will enable DEA to publish a more accurate accounting of total DCP costs than has heretofore been possible.

In the meantime, the $15 million annual offsetting transfer by Congress into the DDCFA was discontinued as of FY98, and the remaining revenue (from fee payments) is proving inadequate to address legitimate programmatic needs. Even during the period when Congress was providing an offsetting $15 million transfer (FY93 through FY98), the DCP received a cumulative funding supplement of $90 million but amassed a surplus which never exceeded $70 million. With the discontinuation of this supplement in FY99, the DDCFA surplus has declined rapidly and will turn deficit before the end of FY03.

## XII. Status of the Current Fee

This notice does not change the current fee schedule, and the fee schedule currently supporting the DCP remains the same as the schedule announced at the inception of the DDCFA in 1993:

| Registrant class | Annual cost |
|---|---|
| Manufacturers | $875 |
| Distributors, Importers/Exporters | 438 |
| Dispensers/Practitioners | 70 |
| Research, Narcotic Treatment Programs | 70 |

## XIII. Miscellaneous Issues

### *A. Registration Fee as User Fee*

One commentor stated that registration fees imposed on domestic registrants should not fund ''international and other activities from which the registrant receives no greater benefit than the public at large.'' Yet DEA does not fund the costs of Diversion personnel stationed overseas through the DDCFA although certain overseas activities such as those relating to the import and export of controlled substances satisfy the requirements of 886a and 821 and are properly funded through the DDCFA. In addition, certain other activities from which ''the registrant receives no greater benefit than the public at large'' (*e.g.,* the review for potential scheduling of new substances) are allowable DDCFA burdens. The commentor referred to the standard applicable to user fees. User fees, or charges imposed pursuant to the Independent Offices Appropriations Act (IOAA), may be assessed only when a fee-funded service provides special benefits to an identifiable recipient

beyond those that accrue to the general public. OMB Circular A–25, July 15, 1993. The IOAA applies ''only when there is no independent statutory source for the charging of a fee or where a fee statute fails to define fee-setting criteria.'' *AMA* v. *Reno*, 857 F. Supp. at 84 (D.D.C. 1994). Congress established the DDCFA by passing the 1993 Appropriations Act with its collection and spending criteria established by prior law (21 U.S.C. 821 and 958(f)). This statute specified that ''[f]ees charged by the Drug Enforcement Administration under its diversion control program shall be set at a level that ensures the recovery of the full costs of operating the various aspects of that program'' and funds from the DDCFA will be raised ''in accordance with estimates made in the budget request of the Attorney General.'' 21 U.S.C. 886a(3) and (4). Therefore, registration fees charged by DEA pursuant to the 1993 Appropriations Act are not user fees subject to the IOAA because the act constitutes an independent statutory source for charging the fee and it defines fee-setting criteria, i.e., to cover the full costs of the DCP. *AMA* v. *Reno,* 857 F. Supp. 80 (D.D.C. 1994).

Thus, the appropriate test for fee-funding DCP activities is not whether they convey a special benefit to registrants, but whether the fees are ''reasonable'' and ''relat[e] to the registration and control of the manufacture, distribution, and dispensing of controlled substances'' or relate to the registration of importers and exporters, and are set ''at a level that ensures the recovery of the full costs of operating the various aspects of [the diversion control] program.'' 21 U.S.C. 821, 958(f) and 886a(3).

*B. Costs of the Components of the DCP*

Two commentors contended that DEA should have provided an explanation of the costs of the DCP components. One commentor argued that registrants are entitled to an accurate accounting of the expenses for each of the program's components and demanded that DEA publish an explanation of its expenditures. Another commentor asked that DEA document the comparative costs of activities included within the DCP and subject the proposed rule to review by OMB.

DEA acknowledges both commentors' concerns and has referred all parties of such a mind to DEA's annual budget request to Congress. This document breaks down the components of each DEA program, including the DCP, and shows both prior-year actual data and future-year projections. For budget submissions relating to FY98 and earlier, DEA retains little, and sometimes no, supporting documentation and is therefore unable to provide some of the cost detail. Yet each DEA budget is based on itemized cost modules which were developed using the most recent (*i.e.,* best) accounting data available at the time. And the review of each DEA budget submission by both the Department of Justice and OMB includes a thorough examination and approval of the underlying cost modules and all other supporting documentation.

*C. Fee Schedules Based on Prescribing Practices*

One commentor expressed disappointment ''at DEA's refusal to establish a fair and equitable fee schedule based on actual prescribing or use records.'' DEA addressed this issue in the December 30, 1996 **Federal Register** notice, noting the various alternative fee structures that it had considered and the problems associated with each. 61 FR 68632. As DEA stated in that notice, establishing a fee based on the volume of drugs handled by individual practitioners would be impractical since there is no way of determining such drug volumes. In addition, the volume of drugs handled can change due to considerations of market, health care, and competition, thus requiring frequent changes in the fees and making program budgeting impractical. Whatever benefit such a plan may offer would be offset by significantly increased costs, which must be borne by registrants, to monitor the prescribing and dispensing practices of practitioners and determine the appropriate fee, based on the volume of drugs prescribed or dispensed.

**XIV. Conclusion**

Since FY93, DEA has attempted to manage the DCP in compliance with the following statutes: 21 U.S.C. 821 (which authorizes reasonable fees relating to the registration and control of the manufacture, distribution and dispensing of controlled substances); 21 U.S.C. 958(f) (which authorizes reasonable fees relating to the registration of importers and exporters of controlled substances); and 21 U.S.C. 886a(3) (which requires a fee structure sufficient to recover the full costs of operating the DCP). Such management has included: (a) the submission to Congress of a DCP budget based on historic actual costs, in accordance with both DOJ and OMB guidelines and (b) the internal promulgation of guidelines governing the uses of the DDCFA.

DEA has endeavored to avoid charging the DDCFA for three categories of DCP cost: (1) Costs associated with the regulation and monitoring of activity involving chemicals used in the illicit manufacture of controlled substance and the investigation of the diversion of these chemicals; (2) costs associated with the stationing of Diversion personnel overseas; and (3) portions of the DCP's indirect cost. Of these three cost categories, the first two (chemical and foreign diversion control activities) may be included in future Congressional requests for DDCFA funding authority. The third category includes DCP items which should have been (and, as of FY01, have indeed been) obligated against the DDCFA. Specifically, these items consist of health services and physical security requirements connected with DCP operation. Although DEA did not begin charging the DDCFA for such items until FY01, their funding out of the DDCFA is consistent with the provisions of 21 U.S.C. 821, 21 U.S.C. 886a, and all applicable public representations of DEA.

Yet DEA has also mischarged the DDCFA on numerous occasions. Some mischarges have been simple overcharges, as when DEA charged an excessive portion of its rent to the DDCFA. In such cases, DEA was correct to charge a portion of the total cost to the DDCFA; but the amount charged appears in retrospect to have been unreasonably high. Other mischarges fall into the ''inappropriate'' category. Such charges were explicitly proscribed either in 21 U.S.C. 886a or in DEA's subsequent public announcements.

DEA regrets being unable to itemize each instance of excessive and inappropriate charge to the DDCFA. DEA retains a full, certified public accounting record of all DDCFA charges, but the underlying documentation is largely unavailable and/or insufficient for the period in question. DEA's best effort to analyze this period in retrospect has nevertheless revealed two important insights: (1) DEA's FY93–FY98 accounting shortfall regarding the DDCFA resulted from a lack of familiarity with the funding mechanism and its managerial/accounting implications, and (2) the sum of all retrospectively identifiable potential mischarges *is exceeded* by the sum of all corresponding undercharges. DEA therefore acknowledges a failure in fully accounting for its early use of the DDCFA but concludes that such failure had no adverse impact on the registrants. With every year since the DDCFA's inception, DEA has improved its management of this vital source of

funds. DEA has made accounting errors, especially early on, when the very idea of a fee fund was new and unfamiliar to the law enforcement organization. But such errors have proven, upon subsequent inspection, both unintentional and financially offset by other errors. The accumulation of a DDCFA surplus, moreover, resulted not because DEA's cost projection and fee setting method was overly generous but because DEA's subsequent charges to the DDCFA did not include all actual DDCFA-billable costs of the DCP and because of an unexpected supplemental annual appropriation of $15 million by Congress. In light of such errors, DEA has intensified its efforts to transform the DDCFA from a management problem into the platform for a higher standard of managerial excellence. Beginning with FY99, DEA has retrospectively reviewed each office's use of the DDCFA to verify propriety. In FY01, DEA proceeded to validate (or reverse) each obligation of DDCFA funds totaling $500 or more. And in FY02, DEA will be validating both obligations and subsequent expenditures according to the highest standard of traceability. For these latest years, any auditor will be able to find a stand-alone document supporting every DDCFA-funded item costing $500 or more.

## XV. Regulatory Analysis

*Regulatory Flexibility Act*

The Deputy Administrator of the Drug Enforcement Administration hereby certifies that this rule will not have a significant economic impact upon entities whose interests must be considered under the regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The majority of DEA registrants are practitioners, pharmacies and hospital/clinics, for whom the annual impact of the fee increase initially finalized on March 22, 1993 (58 FR 15272) was $50.00 per registrant. Further, the total annual impact of the fee increase for the entire registrant population was less than $50 million.

Since 1971, the Controlled Substances Act has permitted the Attorney General to collect fees relating to the registration and control of the manufacture, distribution, import, export and dispensing of controlled substances (21 U.S.C. 821 and 958(f)). DEA and its predecessor agency have collected such fees pursuant to a schedule based upon the five basic activities cited in the law. That fee schedule was proposed for public comment as part of regulations to implement the Controlled Substances Act which were finalized in 1971. The ratio of fees was: a distributor's fee is 50% of the manufacturer's fee and a dispenser's 16–20% of a distributor's fee.

In its December 30, 1996 **Federal Register** notice (61 FR 68624), DEA considered a number of alternate approaches to the fee schedule. Among these alternative were: establish a fee based on volume of drugs handled by individual registrants; establish a fee based upon DEA work hours expended per class of registrant; establish a different fee for various types of practitioner activities (*i.e.,* hospital, medical doctor, dentist, veterinarian, narcotic treatment program, teaching institution); and, charge for order forms (DEA 222) used to order Schedule I and II controlled substances. Each of these alternative approaches was rejected for a variety of reasons, including, but not limited to, the impracticability of the alternative, an inability on the part of DEA to determine controlled substance utilization by individual registrants, and an inability to adequately budget due to fluctuating registration fees which would be created under certain alternatives. Therefore, although various fee approaches have been considered in the past, none offered a feasible alternative to the present approach.

**Executive Order 12866**

The Deputy Administrator further certifies that this rulemaking has been drafted in accordance with the principles in Executive Order 12866 Section 1(b). DEA has determined that this is a significant rulemaking action. Therefore, this action has been reviewed by the Office of Management and Budget. This document responds to the remand requirement of the United States Court of Appeals for the District of Columbia Circuit, and the notice and comments received subsequent to that remand requirement.

*Executive Order 12988*

This regulation meets the applicable standards set forth in Sections 3(a) and 3(b)(2) of Executive Order 12988 Civil Justice Reform.

*Executive Order 13132*

This rulemaking does not preempt or modify any provision of state law; nor does it impose enforcement responsibilities on any state; nor does it diminish the power of any state to enforce its own laws. Accordingly, this rulemaking does not have federalism implications warranting the application of Executive Order 13132.

*Paperwork Reduction Act*

This rulemaking imposes no recordkeeping or reporting requirements on registrants. No information collection request is necessary.

*Unfunded Mandates Reform Act of 1995*

This rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100,000,000 or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

*Small Business Regulatory Enforcement Fairness Act of 1996*

This rule is not a major rule as defined by Section 804 of the Small Business Regulatory Enforcement Fairness Act of 1996. This rule will not result in an annual effect on the economy of $100,000,000 or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic and export markets.

Dated: July 30, 2002.

**John B. Brown III,**

*Deputy Administrator.*

[FR Doc. 02–19667 Filed 8–8–02; 8:45 am]

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August 9, 2002

# Part V

# Department of the Treasury

## Office of Thrift Supervision

## 12 CFR Parts 563b, 574, and 575

## Mutual Savings Associations, Mutual Holding Company Reorganizations, and Conversions From Mutual to Stock Form; Final Rule

**DEPARTMENT OF THE TREASURY**

**Office of Thrift Supervision**

**12 CFR Parts 563b, 574, and 575**

**[No. 2002–34]**

**RIN 1550–AB24**

## Mutual Savings Associations, Mutual Holding Company Reorganizations, and Conversions From Mutual to Stock Form

**AGENCY:** Office of Thrift Supervision, Treasury.

**ACTION:** Final rule.

**SUMMARY:** The Office of Thrift Supervision (OTS) is amending its regulations on the mutual-to-stock conversion process and portions of its regulations on mutual holding company reorganizations. This rule is based on the Notice of Proposed Rulemaking (First Proposal) and the Interim Final Rule, published July 12, 2000, and a re-proposed regulation (Re-proposal), published April 9, 2002.

This final rule includes modifications to the provisions addressing business plans. In addition, it addresses certain matters involving conversions from the mutual to the stock form, by, among other things, adding demand account holders to the definition of savings account holders, allowing accelerated vesting in management benefit plans for changes of control, adding rules to establish charitable organizations, and clarifying the policy on the amount of proceeds allowed to be retained at the holding company level.

**DATES:** Effective on October 1, 2002.

**FOR FURTHER INFORMATION CONTACT:** David A. Permut, Senior Attorney, (202) 906–7505; Gary Jeffers, Senior Attorney, (202) 906–6457, Business Transactions Division, Chief Counsel's Office; or Mary Jo Johnson, Project Manager, (202) 906–5739, Supervision Policy, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552. The final rule and the related forms will also be posted on the OTS Internet Site at *http://www.ots.treas.gov.*

**SUPPLEMENTARY INFORMATION:**

### I. Background

Pursuant to its broad authority to regulate mutual savings associations, authorize mutual holding company (MHC) reorganizations, and regulate mutual-to-stock conversions of savings associations under the Home Owners' Loan Act (HOLA),[1] on July 12, 2000, OTS published an Interim Final Rule (Interim Rule), revising OTS repurchase restrictions applicable to recently converted institutions, changing OTS policy on waivers of dividends by MHCs, and making certain technical changes to the regulations as a result of the passage of the Gramm-Leach-Bliley Act of 1999 (GLB Act).[2] On the same day, OTS published the First Proposal, proposing changes to OTS rules governing stock conversions and MHCs.[3] On April 9, 2002, OTS published the Re-proposal, refining the First Proposal in response to public comments and requesting additional public comment.[4]

OTS undertook these actions based on numerous discussions with the management of mutual institutions, its experience with the conversion process, and developments in the marketplace regarding MHC reorganizations and mutual-to-stock conversions. OTS also reviewed its policies, practices, and regulations to assess whether additions or revisions were necessary.

To respond completely to all the suggestions for change, OTS developed a comprehensive regulatory strategy governing mutual institutions, MHC reorganizations, and the mutual-to-stock conversion process. This comprehensive strategy includes: (1) New policy and examination guidance; (2) these final regulations for the mutual-to-stock conversion process and MHC minority stock offerings; and (3) revisions to the application forms used for the mutual-to-stock conversion process.

### II. Policy Guidance

In the First Proposal, OTS indicated it would issue policy guidance in certain areas regarding mutual associations in connection with the changes to the MHC and conversion regulations. OTS has developed new examination guidance to address many of the concerns mutual associations raised, within the context of safe and sound operations. OTS has also enhanced its off-site monitoring systems to provide examiners with comparative peer groups of similarly situated mutual associations. See the Re-proposal for specific references to issued guidance.

### III. Summary of Comments

OTS received 13 comment letters on the Re-proposal. Two individuals, three law firms, two thrifts, a regulator, and five trade groups submitted comments. OTS also participated in a meeting on the Re-proposal sponsored by America's Community Bankers on April 26 (attended by 23 participants), a conference telephone call on April 16 sponsored by the Mutual Advisory Council of the American Bankers Association (with representatives from 4 mutual institutions, two outside counsel, and representatives of the ABA), and a meeting with representatives of the FDIC on April 17. Issues raised by commenters are discussed in the item-by-item summary below.

### IV. Item-by-Item Summary

*A. General*

The greatest number of comments on the First Proposal and the Re-proposal involved the business plan, Regional Office non-objection to the business plan, and the pre-filing meeting requirements. While most commenters expressed appreciation for OTS revisions to the business plan provisions, there were still specific objections to portions of the Re-proposal. For example, commenters generally approved the removal of prior Regional Office non-objection to the business plan, but certain commenters objected to one or more of the factors OTS proposed to use in evaluating the business plan.

*B. Pre-filing Meeting*

Under the Re-proposal, OTS would have required each association contemplating a conversion to meet with the appropriate Regional Office, in a pre-filing meeting at least ten days prior to publishing a plan of conversion, to discuss the proposed business plan. The proposed regulations contemplated that the association's board of directors, or a committee of the board including outside directors, would attend the meeting. One commenter commended OTS for the changes to the pre-filing meeting requirement, and stated it had no objection to the requirement. Two commenters opposed the pre-filing meeting in its entirety, and two other commenters supported such meetings, provided they were not used to ''second guess'' management. One commenter questioned whether the proposed strategic plan to be discussed at the pre-filing meeting was just an early draft of the business plan. A number of commenters asked for clarification of whether OTS was requiring the whole board to attend the pre-filing meeting and where it had to be held.

It has been OTS' normal practice to discuss a savings association's conversion plans with the board of directors. Therefore, a pre-filing meeting does not result in any additional burden. In response to the request for

[1] 12 U.S.C. 1464(a), (i) and (p) and 1467a(o).

[2] 65 FR 43088.

[3] 65 FR 43092.

[4] 67 FR 17228.

clarification as to where and who must attend the meeting, OTS has added language to the final regulation indicating that, if the board desires, OTS will send a representative from the Regional Office to the association to meet with the board of directors or a committee of the board. To respond to a comment questioning why the pre-filing meeting must occur at least ten days prior to passage of the plan of conversion, OTS has revised the final regulation to require a meeting prior to passage of the plan, but without requiring the meeting to occur a specified number of days before passage. The short, written strategic plan OTS has requested to review and discuss at the meeting is not intended to take the place of the business plan. OTS reiterates that the purpose of this meeting is not to substitute the agency's judgment for that of the directors, but to require the board to articulate its plans for the association and the implications of those plans before the conversion process actually begins.

*C. General Comments on the Business Plan*

The commenters considered the business plan provisions in the Re-proposal to be an improvement over those in the First Proposal. Several commenters commended OTS for eliminating the requirement for prior Regional Office non-objection to the business plan. Several of the commenters supported a business plan requirement generally. Certain others opposed the business plan as unnecessary, claiming, in one case, that OTS did not require such plans for other capital raising efforts and so should not for conversions. Another commenter suggested that any mutual association that did not convert should produce a business plan to justify that decision. One commenter stated that the implication still remained that if the business plan is unacceptable, the application will be denied.

OTS requires business plans for significant capital raising applications, such as applications for new savings associations and continues to believe such plans are necessary in stock conversions, because of the generally large amount of capital that will be raised and the change in form of ownership inherent in the transaction. Under the final regulation, business plans must be filed at the time a conversion application is submitted, or the application will be rejected as materially deficient. As a practical matter, however, OTS strongly encourages submission of business plans before the application filing to help ensure timely approval of the conversion application.

*D. Business Plan Standards*

The Re-proposal provided that a converting association's business plan should, among other things: (i) Clearly and completely describe projected operations, including the deployment of conversion proceeds; (ii) demonstrate that the plan of conversion will substantially serve to meet credit and lending needs in the proposed market area; (iii) demonstrate how the new capital will support projected operations and activities; (iv) describe the risks associated with the plan; (v) demonstrate adequate expertise and staffing to manage growth prudently; and (vi) demonstrate that the association will achieve a reasonable return on equity. The Re-proposal also provided that the association could not project stock repurchases or returns of capital in the first year of the business plan, or extraordinary dividends at any time during the three-year plan. OTS also clarified that OTS would weigh all of the factors together, and no single factor would determine whether a business plan was acceptable.

One commenter asked for clarification whether the business plan components were ''standards'' or ''requirements'' and whether all of them had to be met. The same commenter asked for a waiver provision for when a component was inapplicable. One commenter thought the regulations should specifically state that a business plan for a state-chartered savings association would require state approval by the appropriate state regulator. Several commenters asked for clarification whether there was a business plan requirement for MHC reorganizations that do not involve a stock offering. Several commenters who discussed the business plan opposed the reasonable return on equity (ROE) factor.

In addition, certain commenters asserted that OTS was ''over[ly] paternalistic'' and concerned about the ''need for capital;'' that the business plan standards were ''onerous'' or meant to protect OTS interests; that OTS was biased in favor of management; or that the business plan was a way to ''second guess'' management. One commenter asserted that OTS appeared to believe that ''need'' for capital is a threshold requirement for conversion, and that OTS is ignoring the fact that there are many other reasons to justify a conversion.

To address the concerns of the commenters, the final regulation combines several of the business plan components, indicates that no single factor will be determinative for any business plan, and that OTS will look at every plan on a case-by-case basis. OTS reiterates that the business plan does not create a ''needs'' test for conversions, and recognizes that many other factors go into the decision whether to convert.

OTS, as the safety and soundness regulator of savings associations, believes the specific requirements are appropriate to ensure that an association contemplating such a significant transaction, with considerable ramifications regarding capital, management, and business operations, has considered the consequences of the transaction in its business plan. Accordingly, the final regulation continues to include a business plan requirement, and sets forth the factors OTS will consider in evaluating business plans.[5]

Several of the comments demonstrate that commenters believed the various factors in the Re-proposal were separate ''requirements'' that had to be satisfied for approval of a conversion. The final regulation clarifies that OTS will weigh all of the factors together, and no single factor will determine whether a business plan is acceptable. For example, lack of management experience with past growth will not be as significant if the business plan demonstrates realistic deployment of the conversion proceeds for new growth.

All of the commenters addressing the proposed ROE factor objected to OTS's use of ROE as a factor in evaluating the business plan, pointing out that such a standard was generally unrealistic for a newly converted company, and particularly difficult to achieve for an already well-capitalized company. OTS has reviewed the factors it will consider when evaluating a business plan and decided to combine several factors that address similar issues concerning deployment of proceeds. OTS continues to believe that investor reaction to return on their investment should be a valid concern for a converting institution. The final rule will emphasize that the business plan must describe how it will safely and soundly deploy the proceeds received from the perspectives of opportunities to deploy proceeds, the projected operations and

[5] OTS notes that failure to submit a business plan for an MHC reorganization gives rise to a rebuttable presumptive disqualifier under § 575.4(c)(2). In addition, establishing a Mid-tier, with or without a stock issuance, requires OTS approval under the Acquisition of Control Regulations, which also establish a rebuttable presumptive disqualifier for failure to submit a business plan. See 12 CFR 574.7(g)(2)(ii). An applicant may provide information to rebut the presumptive disqualifier.

activities, and what the return will be to investors who buy stock in the association, in particular, near the end of the three-year business plan period, when the association has had time to deploy most, if not all of the conversion proceeds.

One commenter believed that the requirement that the converting association submit a certificate signed by two-thirds of the board of directors, stating that the business plan adequately reflects their plans should be deleted, claiming it is redundant, because the board of directors certifies elsewhere that it has read and approved the plan when it submits the application for conversion. OTS believes it is important that directors certify specifically that the business plan reflects their actual plans. The same commenter also asserted that the required legal opinion at the completion of the conversion was too broad and would cause counsel to opine on matters of which it had no knowledge. OTS has considered this comment and believes that an opinion that the association has complied with all laws applicable to the conversion is appropriate. For years OTS has required similar opinions with respect to compliance with state laws (for converting state-chartered institutions), and has not encountered difficulties regarding the submission of such opinions.

Another commenter objected to the requirement that each applicant demonstrate that the deployment of proceeds in the business plan will help meet the credit and lending needs of the communities served by the applicant. The commenter, apparently believing this requirement to be newly proposed, asserted that the requirement would reduce ''flexibility'' in the conversion process. OTS points out that this standard has been in the conversion regulations since 1994.[6] In evaluating applications under this standard, OTS has taken into account the differing positions of converting savings associations, and has found many different types of plans to be acceptable under the standard.

*E. MHCs and Mutuality*

In the preamble to the First Proposal, OTS asked a series of questions about what OTS could do to enhance the attractiveness of the MHC charter. OTS also specifically stated that it encouraged savings associations that were considering conversion to stock form first to carefully consider the choice of an MHC charter as an interim step. In addition, OTS specifically proposed certain changes to the MHC regulations to permit the issuance of additional stock benefit plans, and a number of other innovations that OTS believes will enhance the attractiveness of the MHC option. Taken together, these steps appeared to some commenters as expressing an agency bias for the MHC form.

OTS suggestions on enhancing the MHC charter were intended to expand the options available to a mutual association, not to give preference to one form of charter over another.

The MHC is an alternative for mutual associations that are contemplating conversion to stock form. The MHC structure retains the benefits and essential nature of the mutual charter, while providing greater access to capital markets. In addition, in sec. 401(b) of the GLB Act,[7] Congress expanded the investment and activities authority of MHCs to include the activities of financial holding companies. OTS amended the MHC regulations to reflect those changes.[8] The final regulation retains the proposed enhancements to the MHC form to make it a long-term alternative to full conversion.

OTS continues to encourage mutual associations seeking new capital to consider the MHC form of reorganization with a limited stock issuance, rather than a full conversion. This is a particularly useful alternative for mutual associations that have no immediate plans for deployment of substantial amounts of new capital.

*F. Mutual Capital Questions*

OTS asked a number of questions in the preambles to the First Proposal and the Re-proposal regarding capital for mutual associations. OTS observed that mutual associations could currently raise additional capital in a number of ways that did not involve conversion to stock form. These methods included mutual capital certificates, subordinated debt, trust preferred securities, or the formation of real estate investment trusts (REITs). OTS asked if there were other methods of raising capital and why the methods mentioned were not widely used. One commenter suggested that MHCs should be allowed to issue non-voting stock that would have a claim on the economic interest of the MHC without controlling management. OTS is concerned that issuing non-voting stock with a claim on the economic interest of the MHC might complicate the ability of an MHC to complete a second step stock conversion. Another commenter recommended amending the MHC regulations to allow stock to be issued for acquisitions without offering shares to existing stockholders. OTS has already authorized such an acquisition under existing MHC regulations, and is willing to consider such acquisitions in the future.

Both the preamble to the First Proposal and to the Re-proposal discussed whether OTS should issue guidance regarding capital distributions by mutual associations. A number of commenters addressed this issue, all suggesting OTS not issue guidance in this area because they felt this should be a business decision of the association. OTS does not propose to issue regulatory guidance on capital distributions by mutual associations as part of this proposal.[9]

However, in response to a request from an association, the Chief Counsel issued a legal opinion addressing this issue on June 21, 2002.[10]

*G. Stock Repurchases*

In the Interim Rule, OTS revised its regulations to eliminate restrictions on stock repurchases by converted savings associations after the first year following conversion. The rule change was made in part to bring OTS policy closer to that of the FDIC on this subject. Several commenters expressed appreciation that the rules of the two agencies would now be similar. Almost all the other commenters on this issue supported OTS changes, although one commenter suggested repurchase limitations should be eliminated completely. Two commenters suggested that there should be no restrictions on repurchases for associations completing second step stock conversions, because those companies had been public for some period of time prior to full conversion to stock form.

The final regulation is consistent with the Interim Rule and the Re-proposal. *See* §§ 563b.510 and 563b.515. OTS is also making corresponding amendments to the MHC regulations at § 575.11(c). In response to the comment that associations that engage in second step stock conversions should receive different treatment, OTS believes that fully converted companies should receive the same treatment whether they reach that status in one step or two. In addition, OTS believes it is in the best interest of applicants to have similar treatment of stock repurchases among

[6] See 12 CFR 563b.11, as added by 59 FR 61262, Nov. 30, 1994.

[7] Pub. L. 106–102, 113 Stat. 1338 (1999).

[8] 65 FR 43088, Jul. 12, 2000.

[9] Any capital distribution by mutual associations remains capital distribution regulations at 12 CFR part 563, subpart E.

[10] The legal opinion is avaialble on the OTS website.

the agencies regulating the conversion process.

As a matter of policy, OTS has taken the position that stock repurchases for management benefit plans that have been ratified by shareholders in the first year following conversion do not count toward the repurchase limitations in § 563b.3(g). The final regulation, at § 563b.510, clarifies this point. However, OTS will still require prior notification of any repurchases in the first year following conversion, even if they are not subject to OTS approval under the repurchase limitations. One commenter inquired whether a stock repurchase more than one year after conversion would require Regional Director approval as a material deviation from the business plan. OTS believes that it may constitute a material deviation, depending on what the business plan disclosed. Current MHC regulations permit purchases of stock in the open market for tax-qualified or non-tax-qualified employee stock benefit plans to be excluded from the repurchase limitations.[11] The final regulation will extend this exclusion from the repurchase limitations to fully converted companies. OTS notes that the FDIC permits purchases for employee stock ownership plans (ESOPs) to be excluded from the repurchase limitations for fully converted companies.

*H. Dividend Waivers*

The Interim Rule revised OTS policy on dividend waivers for MHCs. Prior OTS policy had adjusted exchange ratios for certain dividends waived in conversions of MHCs to stock form. No adjustment is now required, and § 575.11(d)(3) was amended to reflect this change in OTS policy. Most commenters supported this change in OTS policy although two opposed the change, stating their belief that OTS had changed its policy from protecting depositors to protecting management and minority interests. The final regulation is unchanged from the Interim Rule and the Re-proposal. OTS notes that the waiver of dividends results in more capital at the savings association, enhancing the safety and soundness of the savings association. OTS retains the authority to take enforcement action if it discovers abuses.

*I. Charitable Organizations*

The First Proposal and the Re-proposal included provisions regarding the establishment of a charitable organization in connection with a mutual-to-stock conversion. The provisions included discussing the purpose of the charitable organization, voting foundation shares in the same ratio as all other shares voted on proposals considered by shareholders, reserving board seats for an independent director and a director from the association, and dealing with conflicts of interest. The final regulation also specifies the conditions for approval, including examination by OTS at foundation expense, submission of annual reports, and compliance with all laws necessary to maintain the foundation's tax-exempt status.

Most commenters on this subject were in favor of the proposed regulations, although one commenter stated that OTS should not allow for the establishment of a foundation in second step conversions. OTS believes that establishing a foundation in a second step conversion is acceptable with a separate minority shareholder vote in such transactions and has included that requirement in the final regulation. One commenter suggested that the requirement that certain language be included in all of the foundation's governing documents was excessive. In addition, this commenter suggested several regulatory revisions that OTS believes are improvements to the proposal, such as not requiring the submission of the operating plan until six months following the conversion. The final regulation and Exhibit 9 to the Form AC provide that applicants will not be required to submit the operating plan until six months after the conversion, and delete a previously requested legal opinion regarding the legality of the chartering documents under state law. Similarly, OTS will delete the requirement to include certain language in the foundation's bylaws and operating plan, and will make several other minor revisions at the suggestion of this commenter. OTS will also delete the provision that foundation compensation arrangements may need to be reviewed by the agency, because OTS already has that option. Upon effectiveness of the final regulation, waivers from certain provisions in the current conversion regulations now routinely requested in a conversion with a charitable foundation will no longer be necessary.

*J. Acquisitions of Converted Associations*

OTS regulations at § 563b.3(i)(3) provide that no person or company may acquire more than 10 percent of any class of equity security of a recently converted association for three years following conversion without OTS approval. OTS enacted this rule principally to provide a reasonable period of time for a recently converted association to deploy its new capital prudently according to the plan described in the offering documents, to acclimate to operating as a public company, and to do both without the distraction of considering takeover proposals.

In the First Proposal, OTS noted that it intended to closely review applications under the existing standards to make sure all criteria are fully met before approving acquisitions within the first three years following conversion. In the Re-proposal, OTS requested comment on whether these provisions should apply to MHCs and whether Mid-tiers should be permitted to enact anti-takeover protections in their charters.

Several commenters expressed support for the OTS position that a three-year restriction on acquisitions was appropriate and should apply to MHCs, and that anti-takeover protections for Mid-tiers were appropriate. One commenter thought OTS should implement a five-year restriction on acquisitions. One commenter suggested post-conversion restrictions for state-chartered savings associations should follow state law restrictions, rather than OTS restrictions. One commenter expressed confusion regarding what OTS is willing to allow. Another commenter suggested that OTS needed to show some flexibility in applying the rule, such as allowing acquisitions in less than three years in certain circumstances. Another commenter suggested OTS should allow no exceptions to the three-year ''prohibition'' on acquisitions. OTS reiterates that it always considers the merits of every case, and will continue to do so. OTS believes that all savings associations that convert under part 563b be subject to the post-conversion restrictions. After considering the comments, for the reasons stated above, OTS is finalizing the regulation as originally proposed.

*K. Demand Account Holders*

In both the First Proposal and the Re-proposal, OTS proposed to allow demand account holders to be considered eligible account holders for purposes of determining subscription rights in a conversion. Many applicants incorrectly believe that demand account holders are already eligible account holders. Others have requested OTS waivers to allow demand account holders to be included in the subscription. OTS routinely granted the waivers. In order to end the confusion

[11] *See* 12 CFR 575.11(c)(1)(iv).

regarding this issue, OTS proposed revising the regulations to include demand account holders in the subscription priorities. None of the commenters objected to this provision and one specifically supported it. OTS will enact the final regulation as proposed.

*L. Management Stock Benefit Plans*

In the First Proposal and the Re-proposal, OTS proposed changing the regulations to allow for accelerated vesting for management stock benefit plans in the event of a change of control. Currently, the regulations only allow acceleration for death or disability. Most commenters in this area agreed with this change, although two suggested OTS add retirement within one year of conversion as another reason for allowing acceleration.

OTS believes that it is appropriate that the bases for acceleration, such as death, disability, or change of control of the savings association, not be within the individual's control. Therefore, the final regulation does not provide for accelerated vesting based on retirement.

The First Proposal revised the section on management benefit plans to clarify that an association must present to shareholders for ratification any material amendments to previously approved management recognition plans, stock option plans, or other benefit plans that occur more than one year after conversion and that are inconsistent with the regulation. One commenter pointed out that the proposed language in the revision did not accomplish the purpose of the revision. OTS concurs and has revised the language in the final regulation to be consistent with the proposal.

In response to the First Proposal, most commenters supported expansion of option plan opportunities for MHCs. However, two commenters were opposed to any options for management based on conflicts of interest or a view that benefit plans were a way for management to enrich itself. After considering the potential for small offerings in MHC structures, OTS proposed an additional limitation in the Re-proposal that OTS will not approve management benefit plans that in the aggregate award more than 25% of the number of shares ultimately issued in the public offering to minority shareholders.

One commenter on the Re-proposal specifically supported establishment of the 25% limitation. Several commenters were unclear on how the 25% limit would be applied, and one commenter asserted that notwithstanding the 25% limit, the Re-proposal increased rewards to management without justification. One commenter asked OTS to clarify whether the 25% limit would apply to stock benefit plans enacted after the initial stock issuance.

OTS believes management benefit plans that are reasonable, present no safety or soundness concerns, and are ratified by the shareholders, are not objectionable. Most companies use such plans to attract qualified executives and to reward management for performing well. With respect to the comments requesting clarification, the regulation has been revised to indicate that all stock benefit plans for officers and directors are included in the 25% limitation, except for ESOPs (whether allocated or unallocated). Also, the 25% limit would apply to subsequent stock benefit plans, but would be based on 25% of the stock outstanding on the date subsequent stock plans were ratified by the shareholders.

One commenter suggested two technical revisions to §§ 563b.380(c) and 563b.500(c). Those revisions correct language that was inadvertently deleted from the proposal regarding ESOP purchases in the offering and amendments of previously approved benefit plans. OTS appreciates the technical corrections and is including them in the final rule.

OTS also proposed to add a provision that clarifies a supervisory policy requiring exercise or forfeiture of stock benefits in certain circumstances, such as if an association becomes critically undercapitalized. This provision is included in the final regulation. *See* § 563b.500.

*M. Holding Company Proceeds*

The First Proposal stated that at least 50% of the gross proceeds in a mutual-to-stock conversion must be infused into the converting savings association, and more must be infused if OTS concludes, for supervisory reasons, that a larger capital infusion is necessary. The Re-proposal clarified that 50% of the net proceeds must be infused into the savings association. One commenter concurred with the clarification. OTS is enacting this provision as re-proposed.

*N. Mutual Holding Company Revisions*

1. General

In the First Proposal and the Re-proposal, OTS proposed allowing the adoption of additional stock option plans without the need to issue stock to all categories of subscribers. The final regulation retains this provision. OTS notes that adoption of additional plans still requires filing an application with OTS, registering additional stock where appropriate, and shareholder ratification of additional plans. Among the factors OTS will consider when reviewing additional plans are the purpose for creating the additional plans, management ratings, and supervisory considerations at the converted savings association.

OTS received a number of comments after the First Proposal that holding companies inserted in between MHCs and their savings association subsidiaries (Mid-tiers) should be allowed to be state-chartered entities. In the Re-proposal, OTS noted that Mid-tiers are MHCs, and MHCs, by statute, must be federally chartered.[12] One commenter claimed OTS chartering and regulation of Mid-tiers had worked very well. Two commenters claimed that OTS was attempting to ''eviscerate'' state law in this area. OTS continues to believe that the statute requires that all Mid-tier holding companies be federally chartered. OTS believes the two commenters may be assuming that OTS's position applies to MHC structures that involve neither a savings association nor an institution that has elected to be treated as a savings association under sec. 10(l) of HOLA (that is, to MHCs that draw membership from banks but not savings associations). OTS notes that if the MHC structure does not include a savings association within the meaning of sec. 10 of HOLA, the MHC structure is not subject to part 575, and in such case, neither the MHC nor the Mid-tier may be chartered by OTS.

Two commenters recommended that OTS allow Mid-tiers to adopt certain provisions of state law with regard to indemnification or limitation of liability currently available to state chartered corporations. As OTS noted in response to a comment from the First Proposal, OTS has allowed the adoption of limited liability bylaws on a case by case basis for other federal associations and, therefore, would consider this for Mid-tiers.

2. Acquisitions of Mutual Holding Company Structures

In the Re-proposal, OTS asked for comment on the recent series of proposals to acquire MHC structures. In the context of these transactions, MHCs and their subsidiary entities have asked: (i) Whether Mid-tier holding companies (or, if there is no Mid-tier holding company, the subsidiary savings association) may adopt the pre-approved charter provisions set forth at 12 CFR 552.4(b)(8), such as the charter provision prohibiting acquisitions of,

[12] *See* 12 U.S.C. 1467a(o)(7).

and offers to acquire, more than ten percent of any class of equity security of the entity for five years; and (ii) whether OTS applies 12 CFR 563b.3(i)(3) to savings association subsidiaries or Mid-tier holding companies that have issued stock within the previous three years.

Recently completed or proposed transactions have demonstrated that takeover pressures now exist in the context of MHC structures. Minority stockholders have sought to pressure MHC structures to be acquired by mutual institutions or other MHC structures. In light of recent takeover attempts, and particularly in light of the hostile situations that have developed, OTS has determined to allow the post-conversion anti-takeover restrictions in the charter of a Mid-tier stock holding company. These restrictions would be consistent with the purposes of those provisions generally and give a newly converted MHC time to deploy its new capital and adjust to managing its institution in the MHC environment.[13] One commenter discussed this issue and agreed with OTS that such provisions should be included in Mid-tier charters.

Accordingly, OTS is allowing Mid-tier holding companies to include the provisions set forth at 12 CFR 552.4(b)(8) in their charters.[14] In addition, OTS intends to apply § 563b.3(i)(3) to Mid-tier holding companies and subsidiary stock institutions that complete stock offerings under § 575.7. One commenter agreed with OTS that it should apply § 563b.3(i)(3) in the context of Mid-tiers and MHC savings association subsidiaries.

3. ''Second Step Conversions'' of MHCs

Section 575.12 of the MHC regulations generally governs the conversion of MHCs to stock form (frequently called ''second step conversions''). In all such transactions to date, OTS staff has required that the majority of the minority shares of the Mid-tier or savings association subsidiary, as the case may be, vote in favor of the second step conversion, in addition to votes otherwise required. OTS staff has imposed this requirement because the minority shareholders received different treatment in the second step conversion than the majority interest. The minority shareholders received stock in an amount to be determined under an ''exchange ratio'', while the majority interest (the mutual depositors) received rights to subscribe to the remaining shares to be issued in the transaction, at the offering price. OTS staff concluded that the requirement was appropriate in order to help ensure the fairness of the transaction. OTS proposed to include this requirement, which has been applicable to every second step conversion to date, in the MHC regulations, at 12 CFR 575.12(a)(3). One commenter disagreed with OTS on this issue but offered no reasons for the disagreement. OTS has included the requirement in the final regulation.

*O. Supervisory Conversions*

To conform the language in OTS regulations more closely to sec. 5(o) of the HOLA, the statute governing supervisory conversions, OTS proposed certain changes to the regulatory language regarding Voluntary Supervisory Conversions. There were no comments on this language. The revised language can be found at §§ 563b.625 and 563b.630 of the final regulation.

*P. Merger Conversions*

One commenter suggested that OTS should change its policy to allow merger conversions for institutions with greater than $25 million in assets. Another commenter suggested the federal regulators should take a consistent approach to merger conversions to discourage ''forum shopping.'' That same commenter suggested OTS should use the CAMELS rating categories as factors to be considered in merger conversions. In response to these comments, OTS reiterates that there is no set asset size for an institution undertaking a merger conversion. OTS merely suggested in its 1994 statement about merger conversions that institutions smaller than $25 million in assets may encounter difficulties in completing standard conversions and, therefore, were more likely candidates for merger conversions. OTS policy on merger conversions was articulated in the preamble to the OTS conversion regulation of 1994, 59 FR 61247, 61254, Nov. 30, 1994. In that regulation, OTS stated that it would limit merger conversions to cases involving financially weak institutions. In addition, OTS indicated it would consider allowing merger conversions where a converting institution could demonstrate by clear and convincing evidence that a standard conversion would not be economically feasible, based on the ratio of expenses to gross proceeds, because of the asset size of the institution.[15]

In the last eight years OTS has approved only one merger conversion. That approval was based on the criteria articulated in the 1994 regulation. OTS reiterates the guidelines it established in the 1994 regulation and wishes to clarify that institutions proposing merger conversions should not propose plans where management of the disappearing institution would receive anything more than they could if they had undertaken a standard conversion. In addition, institutions contemplating a merger conversion must demonstrate that a merger conversion is the only viable alternative and document what other proposed solutions the company pursued, that the proposed distribution of assets is fair to all parties, and that the institution used independent counsel to represent the interests of the institution. OTS notes that these are the same criteria the FDIC uses when it evaluates proposals for merger conversions.

*Q. Forms*

The First Proposal contained revisions to all of the forms currently in the conversion regulations, and drafted a new form that facilitates the conversion process (Form OF for the Order Form). In drafting these forms, OTS moved a number of requirements currently in the regulations to the related forms. OTS received one comment on the forms with some suggestions for revisions to the section on foundations. As discussed earlier, OTS concurs with some of the proposed revisions and has revised the form accordingly. The forms will continue to be available through OTS Washington and Regional Offices and will be accessible on OTS's website.

**V. Disposition of Existing Rules**

| Original provision | Re-proposed provision | Comment |
|---|---|---|
| 12 CFR 563b.1 | 12 CFR 563b.5 | Nonsubstantive revision, moved. |

[13] The MHC regulations provide that the procedural and substantive requirements of 12 CFR 563b.3 through 563b.8 apply to all MHC stock issuances under § 575.7 unless clearly inapplicable. In the past, OTS staff has informally advised certain acquirors that it has not considered § 563b.3(i)(3) to be clearly applicable in the MHC context.

[14] If an existing Mid-tier wishes to amend its charter to include such provisions, it may do so following the provisions at 12 CFR 575.14(c)(2).

[15] See 59 FR 61247, 61255. OTS gave an example of institutions with assets of less than $25 million as more likely to be able to establish a justification for doing a merger conversion.

| Original provision | Re-proposed provision | Comment |
|---|---|---|
| 12 CFR 563b.2(a) | 12 CFR 563b.25 | Substantive revisions, deletions, and moved. |
| 12 CFR 563b.2(b) | | Deleted. |
| 12 CFR 563b.3(a) | 12 CFR 563b.5(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(b) | 12 CFR 563b.200(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(1) | 12 CFR 563b.330(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(2) | 12 CFR 563b.355(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(2)(i)–(ii) | 12 CFR 563b.375(a), (d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(3) | 12 CFR 563b.360 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(4) | 12 CFR 563b.335(b), (c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(4)(i) | 12 CFR 563b.320(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(4)(ii) | 12 CFR 563b.375(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(4)(iii) | 12 CFR 563b.375(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(4)(iv) | 12 CFR 563b.375(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(5) | 12 CFR 563b.320(d), 365 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(6) | 12 CFR 563b.320(e), 335(b), (d) | Nonsubstantive revision, deletions, and moved. |
| 12 CFR 563b.3(c)(6)(i) | 12 CFR 563b.385(a), (c), 380(a) | Substantive revision, deletions, and moved. |
| 12 CFR 563b.3(c)(6)(ii)–(iii) | 12 CFR 563b.395 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(6)(iv) | 12 CFR 563b.390(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(7) | 12 CFR 563b.385(a), (c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(8) | 12 CFR 563b.370 | Nonsubstantive revision, deletions, and moved. |
| 12 CFR 563b.3(c)(9) | 12 CFR 563b.505(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(10) | 12 CFR 563b.330(a), 335(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(11) | 12 CFR 563b.420(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(12) | 12 CFR 563b.445(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(13) | 12 CFR 563b.430(d), 445(b), 465, 485 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(14) | 12 CFR 563b.25 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(15) | 12 CFR 563b.440, 445(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(16) | 12 CFR 563b.140, 425 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(17) | 12 CFR 563b.505(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(18) | 12 CFR 563b.505(b)–(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(19) | 12 CFR 563b.530(a)–(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(20) | 12 CFR 563b.150(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(21) | 12 CFR 563b.130 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(22) | 12 CFR 563b.345(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(23) | 12 CFR 563b.320(a)–(d), 380(a)–(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(c)(24) | 12 CFR 563b.520(a)–(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(d)(1)–(7) | | Deleted. |
| 12 CFR 563b.3(d)(8) | 12 CFR 563b.385(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(d)(9) | 12 CFR 563b.385(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(d)(10)–(11) | | Deleted. |
| 12 CFR 563b.3(d)(12) | 12 CFR 563b.390(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(d)(13) | | Deleted. |
| 12 CFR 563b.3(e)(1) | 12 CFR 563b.25 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(e)(2) | | Deleted. |
| 12 CFR 563b.3(f)(1) | 12 CFR 563b.445(b), 450, 455, 480 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(f)(2) | 12 CFR 563b.445(b), 450 | Nonsubstantive revision, moved. |
| D12 CFR 563b.3(f)(3) | 12 CFR 563b.470(e), 475 | Revision with partial deletion, moved. |
| 12 CFR 563b.3(f)(4) | 12 CFR 563b.460 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(f)(5) | 12 CFR 563b.470(a)–(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(g)(1) | 12 CFR 563b.510 | Revision with deletion, moved. |
| 12 CFR 563b.3(g)(2) | 12 CFR 563b.510, 520(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(g)(3) | 12 CFR 563b.510, 515 | Substantive revision with deletion, moved. |
| 12 CFR 563b.3(g)(4) | 12 CFR 563b.500 | Substantive revision, moved. |
| 12 CFR 563b.3(h) | 12 CFR 563b.340(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(1)–(2) | 12 CFR 563b.340(b)(1) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(3)(i) | 12 CFR 563b.525 | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(3)(ii) | 12 CFR 563b.420(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(3)(iii) | 12 CFR 563b.525(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(4)(i) | | Deleted. |
| 12 CFR 563b.3(i)(4)(ii)–(iv) | 12 CFR 563b.525(c)(1)–(3) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(4)(v) | 12 CFR 563b.525(c)(4) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(4)(vi)–(5) | 12 CFR 563b.525(d)(1)–(2) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(6) | 12 CFR 563b.430(a), (b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(7)(i)–(ii) | 12 CFR 563b.25, 525(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.3(i)(7)(iii)–(iv) | | Deleted. |
| 12 CFR 563b.3(j) | 12 CFR 563b.5(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.4(a)(1) | 12 CFR 563b.120 | Nonsubstantive revision, moved. |
| 12 CFR 563b.4(a)(2) | | Deleted. |
| 12 CFR 563b.4(a)(3) | 12 CFR 563b.125 | Nonsubstantive revision, moved. |
| 12 CFR 563b.4(a)(3)(i)–(ii), (4)(i)–(xviii) | 12 CFR 563b.135(a), (b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.4(a)(4)(xix) | | Deleted. |
| 12 CFR 563b.4(a)(5) | 12 CFR 563b.135(c) | Nonsubstantive revision, moved. |

| Original provision | Re-proposed provision | Comment |
|---|---|---|
| 12 CFR 563b.4(b)(1)(i) | 12 CFR 563b.180 | Nonsubstantive revision, moved. |
| 12 CFR 563b.4(b)(1)(ii) | 12 CFR 563b.185 | Nonsubstantive revision, moved. |
| 12 CFR 563b.4(b)(2) | | Deleted. |
| 12 CFR 563b.4(b)(3) | 12 CFR 563b.180(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.4(c) | 12 CFR 563b.160 | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(a) | 12 CFR 563b.250 | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(b)–(c) | 12 CFR 563b.270(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(d)(1) | 12 CFR 563b.255 | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(d)(2) | 12 CFR 563b.260, 265 | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(d)(3) | 12 CFR 563b.255(h) | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(d)(4) | 12 CFR 563b.260 | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(e)(1)–(2) | 12 CFR 563b.150, 155 | Nonsubstantive revision, deletions, and moved. |
| 12 CFR 563b.5(e)(3) | 12 CFR 563b.275(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(e)(4) | | Deleted. |
| 12 CFR 563b.5(e)(5) | 12 CFR 563b.150, 160(a)–(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(e)(6) | 12 CFR 563b.275(e) | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(e)(7) | 12 CFR 563b.275(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(f) | 12 CFR 563b.280 | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(g)(1)–(2) | 12 CFR 563b.285(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.5(g)(3) | 12 CFR 563b.290 | Substantive revision, moved. |
| 12 CFR 563b.5(h) | 12 CFR 563b.285(b) | Nonsubstantive revision, moved. |
| 12 CFR 563b.6(a) | 12 CFR 563b.225(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.6(b) | 12 CFR 563b.230 | Nonsubstantive revision, moved. |
| 12 CFR 563b.6(c)(1) | 12 CFR 563b.235 | Nonsubstantive revision, moved. |
| 12 CFR 563b.6(c)(2) | | Deleted. |
| 12 CFR 563b.6(d) | 12 CFR 563b.225(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.6(e) | 12 CFR 563b.225(b)–(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(a)(1) | 12 CFR 563b.325(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(a)(2) | 12 CFR 563b.300(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(a)(3) | 12 CFR 563b.325(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(a)(4) | | Deleted. |
| 12 CFR 563b.7(b) | 12 CFR 563b.300(e), 305 | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(c) | 12 CFR 563b.330 | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(d) | 12 CFR 563b.200(b)(8), 300(c)–(d), Form OC, Item 3. | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(e) | 12 CFR 563b.335(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(f)(1)–(2) | 12 CFR 563b.200(b) | Nonsubstantive revision, deletion, and moved. |
| 12 CFR 563b.7(f)(3) | | Deleted. |
| 12 CFR 563b.7(g)(1)–(2) | 12 CFR 563b.335(a), Form OF, Items (1), (2) | Nonsubstantial revisions, deletions, and moved. |
| 12 CFR 563b.7(g)(3), (4), (5) | Form OF, Items (3), (4), (5) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(h) | 12 CFR 563b.345(a), 350(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(i) | 12 CFR 563b.400 | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(j) | 12 CFR 563b.350(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(k)(1)–(2) | 12 CFR 563b.405 | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(k)(2)(i)–(ii) | 12 CFR 563b.310(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(k)(3) | | Deleted. |
| 12 CFR 563b.7(k)(4) | 12 CFR 563b.310(a) | Nonsubstantive revision, moved. |
| 12 CFR 563b.7(k)(5) | 12 CFR 563b.310(b)–(d) | Substantive revision, moved. |
| 12 CFR 563b.8(a) | 12 CFR 563b.155 | Substantive revision, moved. |
| 12 CFR 563b.8(b)(1)–(2) | 12 CFR 563b.150 | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(b)(3) | | Deleted. |
| 12 CFR 563b.8(c)(1)–(2)(i)–(ii) | 12 CFR 563b.240 | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(c)(2)(iii) | 12 CFR 563b.260 | Substantive revision, moved. |
| 12 CFR 563b.8(c)(3) | 12 CFR 563b.300(a), (c) | Substantial revisions, deletions, and moved. |
| 12 CFR 563b.8(d)(1)–(2) | 12 CFR 563b.430 | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(d)(3) | 12 CFR 563b.435 | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(e) | 12 CFR 563b.115(a), 155, 180(b), Form AC, General Instruction B. | Nonsubstantial revisions, deletions, and moved. |
| 12 CFR 563b.8(f) | | Deleted. |
| 12 CFR 563b.8(g) | Form AC, General Instruction B | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(h) | | Deleted. |
| 12 CFR 563b.8(i)–(l) | Form AC, General Instruction B | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(m) | | Deleted. |
| 12 CFR 563b.8(n) | Form AC, General Instruction B | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(o) | | Deleted. |
| 12 CFR 563b.8(p) | 12 CFR 563b.150(a)(6), Form AC, General Instruction B. | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(q) | Form AC, General Instruction B | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(r) | Form AC, General Instruction B | Substantive revision, moved. |
| 12 CFR 563b.8(s) | Form AC, General Instruction B | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(t)(1) | 12 CFR 563b.100 | Nonsubstantive revision, moved. |
| 12 CFR 563b.8(t)(2) | | Deleted. |

| Original provision | Re-proposed provision | Comment |
|---|---|---|
| 12 CFR 563b.8(u) | 12 CFR 563b.205 | Nonsubstantial revisions, deletions, and moved. |
| 12 CFR 563b.8(v) | 12 CFR 563b.530(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.9 | 12 CFR 563b.10 | Nonsubstantive revision, moved. |
| 12 CFR 563b.10 | 12 CFR 563b.605(b)–(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.11 | 12 CFR 563b.200(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.20 | 12 CFR 563b.600 | Nonsubstantive revision, moved. |
| 12 CFR 563b.21(a) | 12 CFR 563b.605 | Nonsubstantive revision, moved. |
| 12 CFR 563b.21(b) | 12 CFR 563b.650, 610 | Nonsubstantive revision, moved. |
| 12 CFR 563b.22 | | Deleted. |
| 12 CFR 563b.23(a)–(c) | 12 CFR 563b.670, 675 | Nonsubstantive revision, additions, and moved. |
| 12 CFR 563b.23(d) | 12 CFR 563b.690 | Nonsubstantive revision, moved. |
| 12 CFR 563b.24(a)–(b)(1), (3) | 12 CFR 563b.625(a)(1) | Nonsubstantive revision, moved. |
| 12 CFR 563b.24(b)(2) | | Deleted. |
| 12 CFR 563b.24(c) | 12 CFR 563b.625(b) | Substantive addition, moved. |
| 12 CFR 563b.25 | 12 CFR 563b.630 | Nonsubstantive revision, moved. |
| 12 CFR 563b.26 | 12 CFR 563b.625(a)(2) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(a) | 12 CFR 563b.650 | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(b) | 12 CFR 563b.660(f)(1) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(c) | 12 CFR 563b.660(a)(2) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(d) | 12 CFR 563b.660(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(e) | 12 CFR 563b.660(g)(2) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(f)–(g) | 12 CFR 563b.660(e) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(h) | 12 CFR 563b.660(f)(2) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(i) | 12 CFR 563b.660(g)(1) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(j) | 12 CFR 563b.660(g)(3) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(k) | 12 CFR 563b.660(g)(4) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(l) | 12 CFR 563b.660(d)(3) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(m) | 12 CFR 563b.660(d)(2) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(n) | 12 CFR 563b.660(d)(1) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(o) | 12 CFR 563b.660(d)(4) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(p) | 12 CFR 563b.660(a)(3) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(q)–(r) | 12 CFR 563b.660(h) | Nonsubstantive revision, moved. |
| 12 CFR 563b.27(s) | 12 CFR 563b.660(g)(5) | Nonsubstantive revision, moved. |
| 12 CFR 563b.28 | 12 CFR 563b.610 | Nonsubstantive revision, moved. |
| 12 CFR 563b.29(a) | 12 CFR 563b.660 | Nonsubstantive revision, moved. |
| 12 CFR 563b.29(b) | | Deleted. |
| 12 CFR 563b.29(d)(1)–(2) | 12 CFR 563b.430 | Nonsubstantive revision, moved. |
| 12 CFR 563b.29(d)(3) | 12 CFR 563b.435 | Nonsubstantive revision, moved. |
| 12 CFR 563b.30 | 12 CFR 563b.675 | Nonsubstantive revision, moved. |
| 12 CFR 563b.31 | 12 CFR 563b.680 | Nonsubstantive revision, moved. |
| 12 CFR 563b.32 | 12 CFR 563b.670(c) | Nonsubstantive revision, moved. |
| 12 CFR 563b.33 | 12 CFR 563b.670(d) | Nonsubstantive revision, moved. |
| 12 CFR 563b.100 | Form AC—1680 | Nonsubstantive revision, moved. |
| 12 CFR 563b.101 | Form PS—1681 | Nonsubstantive revision, moved. |
| 12 CFR 563b.102 | Form OC—1682 | Nonsubstantive revision, moved. |
| | 12 CFR 563b.15, 20, 105, 110, 115, 165 | New provisions. |
| | 12 CFR 563b.295 | New provision. |
| | 12 CFR 563b.550–575 | New provisions. |
| | Form OF—1683 | New form. |

## VI. Use of ''Plain Language''

Section 722 of the Gramm-Leach-Bliley Act of 1999 requires the use of ''plain language'' in all proposed and final rules published after January 1, 2001. OTS invited comment on whether the proposed rule was written in ''plain language'' and how to make the proposed rule easier to understand. No commenter indicated that the First Proposal or the Re-proposal needed to be revised to be understood. The final rule is substantially similar to the First Proposal and the Re-proposal and OTS believes the final rule is written plainly and clearly.

## VII. Executive Order 12866

The Director of OTS determined that this final rule is not a ''significant regulatory action'' for the purposes of Executive Order 12866.

## VIII. Regulatory Flexibility Act Analysis

The Regulatory Flexibility Act of 1980 (RFA) requires federal agencies to either prepare a final regulatory flexibility analysis with this final rule or certify that the rule would not have a significant impact on a substantial number of small entities.[16] In its proposed rules, OTS requested comments on whether the rule would have a significant impact on a substantial number of small entities. No commenters addressed this issue. Therefore, OTS has prepared the following analysis.[17]

A description of the reasons why OTS is taking this action, and a statement of the objectives of, and legal basis for, the final rule are in the supplementary material above.

### *1. Small Entities to Which the Final Rule Would Apply*

The final rule applies to mutual savings associations that propose to

[16] 5 U.S.C. 605(b).

[17] 5 U.S.C. 604(a).

convert to the stock form of ownership. Under OTS jurisdiction, there are currently approximately 390 mutual savings associations, 34 publicly traded MHCs, 2 non-publicly traded MHCs, and 27 MHCs with no stock issued. Of these institutions, approximately 230 have less than $100 million in assets. Small depository institutions are generally defined, for RFA purposes, as those with assets under $100 million.[18] In the past two years, OTS has processed 12 and 10 applications, respectively, to convert from mutual to stock or mutual holding company form. Based on this experience, OTS believes that the final rule affects fewer than 15 savings associations annually.

*2. Requirements of the Final Rule*

The final rule requires mutual savings associations wishing to convert to stock form to prepare a plan of conversion and other supporting forms and documents (such as a business plan and an independent appraisal) and submit the documents for OTS approval. The current mutual-to-stock conversion regulations require all of these documents or information.

The final rule includes a new requirement that a savings association that intends to establish a charitable organization as part of its conversion must supply certain documents and information regarding the charitable organization. Under the current application processing policies, OTS often requires a savings association that intends to establish a charitable organization as part of its conversion to submit the same type of information that the final rule would require. As a result, this new requirement should not have any additional impact on small savings associations.

The final rule also adds demand account holders to the definition of savings account holders, allows accelerated vesting in management benefit plans for changes of control, and clarifies OTS policy regarding the amount of proceeds allowed at the holding company level. None of these provisions, however, should add to the reporting, recordkeeping, or compliance requirements for small entities.

Although it is not clear that the RFA requires a quantitative analysis of the impact of the final regulatory changes, OTS provides the following estimate. The final rule's primary economic impact on small savings associations relates to the expense of preparing the application to convert. Savings associations wishing to convert must prepare the necessary documents and forms, including a plan of conversion, a business plan, and an appraisal. Preparation of these documents may require legal or professional help. OTS's experience in the conversion process indicates that savings associations generally hire legal counsel, accountants, marketing agents, and professional appraisers to assist in completion of the necessary documents and forms. Savings associations converting under the current regulations spend approximately $250,000 to one million dollars each to go through the process. We note that the new requirements will add only 10 hours of additional paperwork in preparation, and may save institutions that decide after preliminary business plan preparation and discussion not to convert significant time and expense. *See* discussion infra at Section IX. The new requirement for information supporting a proposed charitable contribution should not increase these costs appreciably.

*3. Significant Alternatives*

Section 604(a) of the RFA requires OTS to describe how the agency attempted to minimize the rule's impact on small entities and why it chose the alternative adopted in the final rule over other alternatives. Section 603(c) lists several examples of potential alternatives, including (1) establishing different compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) clarifying, consolidating, or simplifying compliance and reporting requirements for small entities; (3) using performance standards rather than design standards; and (4) exempting small entities from coverage of the rule or a part of the rule.

After consideration, OTS does not believe that any of these alternatives are feasible. As noted, more than half of the savings associations to which the final rule could apply meet the RFA standard for ''small depository institutions.'' In fact, the conversion process is aimed largely at small institutions that want to raise capital in the open market by converting to the stock form of ownership. Given that the conversion process is designed with small institutions in mind, modifying the requirements for such small institutions is not necessary. Moreover, given that a conversion cannot be measured for performance until it takes place, the use of performance standards rather than design standards is impractical.

To reduce regulatory burden consistent with the goals of this regulation, the final rule specifically permits OTS to waive any requirement under the part where the waiver is equitable and not detrimental to the savings association, the account holders, or the public interest. This process will provide substantial flexibility to OTS and the savings association to minimize any significant economic impact of a provision on a specific institution.

## IX. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995, Pub. L. 104–4 (Unfunded Mandates Act), requires that an agency prepare a budgetary impact statement before promulgating a rule that includes a federal mandate that may result in expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more in any one year. If a budgetary impact statement is required, sec. 205 of the Unfunded Mandates Act also requires an agency to identify and consider a reasonable number of regulatory alternatives before promulgating a rule. OTS determined that the final rule will not result in expenditures by state, local, or tribal governments or by the private sector of $100 million or more in any one year. Accordingly, this rulemaking is not subject to sec. 202 of the Unfunded Mandates Act.

## X. Paperwork Reduction Act

The information collection requirements contained in the final rule, 12 CFR part 563b, are virtually identical to those included in the July 2000 Proposed Rule on this subject. OTS has modified the forms in only minor ways, but the burden on respondents remains unchanged from those in the earlier rule, which the Office of Management and Budget (OMB) approved on August 31, 2000 under control number 1550–0014. Respondents/recordkeepers are not required to respond to any collection of information unless it displays a currently valid OMB control number.

## List of Subjects

*12 CFR Part 563b*

Reporting and recordkeeping requirements, Savings associations, Securities.

*12 CFR Part 574*

Administrative practice and procedure, Holding companies, Reporting and recordkeeping requirements, Savings associations, Securities.

[18] 13 CFR 121.201 Section 52, Subsection 522 (2002).

*12 CFR Part 575*

Administrative practice and procedure, Capital, Holding companies, Reporting and recordkeeping requirements, Savings associations, Securities.

Accordingly, the Office of Thrift Supervision amends 12 CFR, chapter V, as set forth below:

1. Part 563b is revised to read as follows:

## PART 563b—CONVERSIONS FROM MUTUAL TO STOCK FORM

Sec.
563b.5 What does this part do?
563b.10 May I form a holding company as part of my conversion?
563b.15 May I form a charitable organization as part of my conversion?
563b.20 May I acquire another insured stock depository institution as part of my conversion?
563b.25 What definitions apply to this part?

**Subpart A—Standard Conversions**

**Prior to Conversion**

563b.100 What must I do before a conversion?
563b.105 What information must I include in my business plan?
563b.110 Who must review my business plan?
563b.115 How will OTS review my business plan?
563b.120 May I discuss my plans to convert with others?

**Plan of Conversion**

563b.125 Must my board of directors adopt a plan of conversion?
563b.130 What must I include in my plan of conversion?
563b.135 How do I notify my members that my board of directors approved a plan of conversion?
563b.140 May I amend my plan of conversion?

**Filing Requirements**

563b.150 What must I include in my application for conversion?
563b.155 How do I file my application for conversion?
563b.160 May I keep portions of my application for conversion confidential?
563b.165 How do I amend my application for conversion?

**Notice of Filing of Application and Comment Process**

563b.180 How do I notify the public that I filed an application for conversion?
563b.185 How may a person comment on my application for conversion?

**OTS Review of the Application for Conversion**

563b.200 What actions may OTS take on my application?
563b.205 May a court review OTS's final action on my conversion?

**Vote by Members**

563b.225 Must I submit the plan of conversion to my members for approval?
563b.230 Who is eligible to vote?
563b.235 How must I notify my members of the meeting?
563b.240 What must I submit to OTS after the members' meeting?

**Proxy Solicitation**

563b.250 Who must comply with these proxy solicitation provisions?
563b.255 What must the form of proxy include?
563b.260 May I use previously executed proxies?
563b.265 How may I use proxies executed under this part?
563b.270 What must I include in my proxy statement?
563b.275 How do I file revised proxy materials?
563b.280 Must I mail a member's proxy solicitation material?
563b.285 What solicitations are prohibited?
563b.290 What will OTS do if a solicitation violates these prohibitions?
563b.295 Will OTS require me to re-solicit proxies?

**Offering Circular**

563b.300 What must happen before OTS declares my offering circular effective?
563b.305 When may I distribute the offering circular?
563b.310 When must I file a post-effective amendment to the offering circular?

**Offers and Sales of Stock**

563b.320 Who has priority to purchase my conversion shares?
563b.325 When may I offer to sell my conversion shares?
563b.330 How do I price my conversion shares?
563b.335 How do I sell my conversion shares?
563b.340 What sales practices are prohibited?
563b.345 How may a subscriber pay for my conversion shares?
563b.350 Must I pay interest on payments for conversion shares?
563b.355 What subscription rights must I give to each eligible account holder and each supplemental eligible account holder?
563b.360 Are my officers, directors, and their associates eligible account holders?
563b.365 May other voting members purchase conversion shares in the conversion?
563b.370 Does OTS limit the aggregate purchases by officers, directors, and their associates?
563b.375 How do I allocate my conversion shares if my shares are oversubscribed?
563b.380 May my employee stock ownership plan purchase conversion shares?
563b.385 May I impose any purchase limitations?
563b.390 Must I provide a purchase preference to persons in my local community?
563b.395 What other conditions apply when I offer conversion shares in a community offering, a public offering, or both?

**Completion of the Offering**

563b.400 When must I complete the sale of my stock?
563b.405 How do I extend the offering period?

**Completion of the Conversion**

563b.420 When must I complete my conversion?
563b.425 Who may terminate the conversion?
563b.430 What happens to my old charter?
563b.435 What happens to my corporate existence after conversion?
563b.440 What voting rights must I provide to stockholders after the conversion?
563b.445 What must I provide my savings account holders?

**Liquidation Account**

563b.450 What is a liquidation account?
563b.455 What is the initial balance of the liquidation account?
563b.460 How do I determine the initial balances of liquidation sub-accounts?
563b.465 Do account holders retain any voting rights based on their liquidation sub-accounts?
563b.470 Must I adjust liquidation sub-accounts?
563b.475 What is a liquidation?
563b.480 Does the liquidation account affect my net worth?
563b.485 What provision must I include in my new federal charter?

**Post-Conversion**

563b.500 May I implement a stock option plan or management or employee stock benefit plan?
563b.505 May my directors, officers, and their associates freely trade shares?
563b.510 May I repurchase shares after conversion?
563b.515 What information must I provide to OTS before I repurchase my shares?
563b.520 May I declare or pay dividends after I convert?
563b.525 Who may acquire my shares after I convert?
563b.530 What other requirements apply after I convert?

**Contributions to Charitable Organizations**

563b.550 May I donate conversion shares or conversion proceeds to a charitable organization?
563b.555 How do my members approve a charitable contribution?
563b.560 How much may I contribute to a charitable organization?
563b.565 What must the charitable organization include in its organizational documents?
563b.570 How do I address conflicts of interest involving my directors?
563b.575 What other requirements apply to charitable organizations?

**Subpart B—Voluntary Supervisory Conversions**

563b.600 What does this subpart do?
563b.605 How may I conduct a voluntary supervisory conversion?

563b.610 Do my members have rights in a voluntary supervisory conversion?

**Eligibility**

563b.625 When is a savings association eligible for a voluntary supervisory conversion?
563b.630 When is a BIF-insured state-chartered savings bank eligible for a voluntary supervisory conversion?

**Plan of Supervisory Conversion**

563b.650 What must I include in my plan of voluntary supervisory conversion?

**Voluntary Supervisory Conversion Application**

563b.660 What must I include in my voluntary supervisory conversion application?

**OTS Review of the Voluntary Supervisory Conversion Application**

563b.670 Will OTS approve my voluntary supervisory conversion application?
563b.675 What conditions will OTS impose on an approval?

**Offers and Sales of Stock**

563b.680 How do I sell my shares?

**Post-Conversion**

563b.690 Who may not acquire additional shares after the voluntary supervisory conversion?

**Authority:** 12 U.S.C. 1462, 1462a, 1463, 1464, 1467a, 2901; 15 U.S.C. 78c, 78l, 78m, 78n, 78w.

### § 563b.5 What does this part do?

(a) *General.* This part governs how a savings association (''you'') may convert from the mutual to the stock form of ownership. Subpart A of this part governs standard mutual-to-stock conversions. Subpart B of this part governs voluntary supervisory mutual-to-stock conversions. This part supersedes all inconsistent charter and bylaw provisions of federal savings associations converting to stock form.

(b) *Prescribed forms.* You must use the forms prescribed under this part and provide such information as OTS may require under the forms by regulation or otherwise. The forms required under this part include: Form AC (Application for Conversion); Form PS (Proxy Statement); Form OC (Offering Circular); and Form OF (Order Form).

(c) *Waivers.* OTS may waive any requirement of this part or a provision in any prescribed form. To obtain a waiver, you must file a written request with OTS that:

(1) Specifies the requirement(s) or provision(s) you want OTS to waive;

(2) Demonstrates that the waiver is equitable; is not detrimental to you, your account holders, or other savings associations; and is not contrary to the public interest; and

(3) Includes an opinion of counsel demonstrating that applicable law does not conflict with the requirement or provision.

### § 563b.10 May I form a holding company as part of my conversion?

You may convert to the stock form of ownership as part of a transaction where you organize a holding company to acquire all of your shares upon their issuance. In such a transaction, your holding company will offer rights to purchase its shares instead of your shares. All of the requirements of subpart A generally apply to the holding company as they apply to the savings association. Section 574.6 of this chapter contains OTS's holding company application requirements.

### § 563b.15 May I form a charitable organization as part of my conversion?

When you convert to the stock form, you may form a charitable organization. Your contributions to the charitable organization are governed by the requirements of §§ 563b.550 through 563b.575.

### § 563b.20 May I acquire another insured stock depository institution as part of my conversion?

When you convert to stock form, you may acquire for cash or stock another insured depository institution that is already in the stock form of ownership.

### § 563b.25 What definitions apply to this part?

The following definitions apply to this part and the forms prescribed under this part:

*Acting in concert* has the same meaning as in § 574.2(c) of this chapter. The rebuttable presumptions of § 574.4(d) of this chapter, other than §§ 574.4(d)(1) and (d)(2) of this chapter, apply to the share purchase limitations at §§ 563b.355 through 563b.395.

*Affiliate of,* or a person *affiliated with,* a specified person is a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the specified person.

*Associate* of a person is:

(1) A corporation or organization (other than you or your majority-owned subsidiaries), if the person is a senior officer or partner, or beneficially owns, directly or indirectly, 10 percent or more of any class of equity securities of the corporation or organization.

(2) A trust or other estate, if the person has a substantial beneficial interest in the trust or estate or is a trustee or fiduciary of the trust or estate. For purposes of §§ 563b.370, 563b.380, 563b.385, 563b.390, 563b.395 and 563b.505, a person who has a substantial beneficial interest in your tax-qualified or non-tax-qualified employee stock benefit plan, or who is a trustee or a fiduciary of the plan, is not an associate of the plan. For the purposes of § 563b.370, your tax-qualified employee stock benefit plan is not an associate of a person.

(3) Any person who is related by blood or marriage to such person and:

(i) Who lives in the same home as the person; or

(ii) Who is your director or senior officer, or a director or senior officer of your holding company or your subsidiary.

*Association members* or *members* are persons who, under applicable law, are eligible to vote at the meeting on conversion.

*Control* (including *controlling, controlled by,* and *under common control with*) means the direct or indirect power to direct or exercise a controlling influence over the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise as described in part 574 of this chapter.

*Eligibility record date* is the date for determining eligible account holders. The eligibility record date must be at least one year before the date your board of directors adopts the plan of conversion.

*Eligible account holders* are any persons holding qualifying deposits on the eligibility record date.

*IRS* is the Internal Revenue Service.

*Local community includes:*

(1) Every county, parish, or similar governmental subdivision in which you have a home or branch office;

(2) Each county's, parish's, or subdivision's metropolitan statistical area;

(3) All zip code areas in your Community Reinvestment Act assessment area; and

(4) Any other area or category you set out in your plan of conversion, as approved by OTS.

*Offer, offer to sell,* or *offer for sale* is an attempt or offer to dispose of, or a solicitation of an offer to buy, a security or interest in a security for value. Preliminary negotiations or agreements with an underwriter, or among underwriters who are or will be in privity of contract with you, are not offers, offers to sell, or offers for sale.

*Person* is an individual, a corporation, a partnership, an association, a joint-stock company, a limited liability company, a trust, an unincorporated organization, or a government or political subdivision of a government.

*Proxy soliciting material* includes a proxy statement, form of proxy, or other written or oral communication regarding the conversion.

*Purchase* or *buy* includes every contract to acquire a security or interest in a security for value.

*Qualifying deposit* is the total balance in an account holder's savings accounts at the close of business on the eligibility or supplemental eligibility record date. Your plan of conversion may provide that only savings accounts with total deposit balances of $50 or more will qualify.

*Sale* or *sell* includes every contract to dispose of a security or interest in a security for value. An exchange of securities in a merger or acquisition approved by OTS is not a sale.

*Savings account* is any withdrawable account as defined in § 561.42 of this chapter, including a demand account as defined in § 561.16 of this chapter.

*Solicitation* and *solicit* is a request for a proxy, whether or not accompanied by or included in a form of proxy; a request to execute, not execute, or revoke a proxy; or the furnishing of a form of proxy or other communication reasonably calculated to cause your members to procure, withhold, or revoke a proxy. Solicitation or solicit does not include providing a form of proxy at the unsolicited request of a member, the acts required to mail communications for members, or ministerial acts performed on behalf of a person soliciting a proxy.

*Subscription offering* is the offering of shares through nontransferable subscription rights to:

(1) Eligible account holders under § 563b.355;

(2) Tax-qualified employee stock ownership plans under § 563b.380;

(3) Supplemental eligible account holders under § 563b.355; and

(4) Other voting members under § 563b.365.

*Supplemental eligibility record date* is the date for determining supplemental eligible account holders. The supplemental eligibility record date is the last day of the calendar quarter before OTS approves your conversion and will only occur if OTS has not approved your conversion within 15 months after the eligibility record date.

*Supplemental eligible account holders* are any persons, except your officers, directors, and their associates, holding qualifying deposits on the supplemental eligibility record date.

*Tax-qualified employee stock benefit plan* is any defined benefit plan or defined contribution plan, such as an employee stock ownership plan, stock bonus plan, profit-sharing plan, or other plan, and a related trust, that is qualified under sec. 401 of the Internal Revenue Code (26 U.S.C. 401).

*Underwriter* is any person who purchases any securities from you with a view to distributing the securities, offers or sells securities for you in connection with the securities' distribution, or participates or has a direct or indirect participation in the direct or indirect underwriting of any such undertaking. Underwriter does not include a person whose interest is limited to a usual and customary distributor's or seller's commission from an underwriter or dealer.

## Subpart A—Standard Conversions

### Prior to Conversion

#### § 563b.100 What must I do before a conversion?

(a) Your board, or a subcommittee of your board, must meet with OTS before you pass your plan of conversion. The meeting may occur at OTS or your offices at your option. At that meeting you must provide OTS with a written strategic plan that outlines the objectives of the proposed conversion and the intended use of the conversion proceeds.

(b) You should also consult with OTS before you file your application for conversion. OTS will discuss the information that you must include in the application for conversion, general issues that you may confront in the conversion process, and any other pertinent issues.

#### § 563b.105 What information must I include in my business plan?

(a) Prior to filing an application for conversion, you must adopt a business plan reflecting your intended plans for deployment of the proposed conversion proceeds. Your business plan is required, under § 563b.150, to be included in your conversion application. At a minimum, your business plan must address:

(1) Your projected operations and activities for three years following the conversion. You must describe how you will deploy the conversion proceeds at the converted savings association (and holding company, if applicable), what opportunities are available to reasonably achieve your planned deployment of conversion proceeds in your proposed market areas, and how your deployment will provide a reasonable return on investment commensurate with investment risk, investor expectations, and industry norms, by the final year of the business plan. You must include three years of projected financial statements. The business plan must provide that the converted savings association must retain at least 50 percent of the net conversion proceeds. OTS may require that a larger percentage of proceeds remain in the institution.

(2) Your plan for deploying conversion proceeds to meet credit and lending needs in your proposed market areas. OTS strongly discourages business plans that provide for a substantial investment in mortgage securities or other securities, except as an interim measure to facilitate orderly, prudent deployment of proceeds during the three years following the conversion, or as part of a properly managed leverage strategy.

(3) The risks associated with your plan for deployment of conversion proceeds, and the effect of this plan on management resources, staffing, and facilities.

(4) The expertise of your management and board of directors, or that you have planned for adequate staffing and controls to prudently manage the growth, expansion, new investment, and other operations and activities proposed in your business plan.

(b) You may not project returns of capital or special dividends in any part of the business plan. A newly converted company may not plan on stock repurchases in the first year of the business plan.

#### § 563b.110 Who must review my business plan?

(a) Your chief executive officer and members of the board of directors must review, and at least two-thirds of your board of directors must approve, the business plan.

(b) Your chief executive officer and at least two-thirds of the board of directors must certify that the business plan accurately reflects the intended plans for deployment of conversion proceeds, and that any new initiatives reflected in the business plan are reasonably achievable. You must submit these certifications with your business plan, as part of your conversion application under § 563b.150.

#### § 563b.115 How will OTS review my business plan?

(a) OTS will review your business plan to determine that it demonstrates a safe and sound deployment of conversion proceeds, as part of its review of your conversion application. In making its determination, OTS will consider how you have addressed the applicable factors of § 563b.105. No single factor will be determinative. OTS will review every case on its merits.

(b) You must file your business plan with the Regional Office. OTS may

request additional information, if necessary, to support its determination under paragraph (a) of this section. You must file your business plan as a confidential exhibit to the Form AC.

(c) If OTS approves your application for conversion and you complete your conversion, you must operate within the parameters of your business plan. You must obtain the prior written approval of the Regional Director for any material deviations from your business plan.

### § 563b.120 May I discuss my plans to convert with others?

(a) You may discuss information about your conversion with individuals that you authorize to prepare documents for your conversion.

(b) Except as permitted under paragraph (a) of this section, you must keep all information about your conversion confidential until your board of directors adopts your plan of conversion.

(c) If you violate this section, OTS may require you to take remedial action. For example, OTS may require you to take any or all of the following actions:

(1) Publicly announce that you are considering a conversion;

(2) Set an eligibility record date acceptable to OTS;

(3) Limit the subscription rights of any person who violates or aids a violation of this section; or

(4) Take any other action to assure that your conversion is fair and equitable.

## Plan of Conversion

### § 563b.125 Must my board of directors adopt a plan of conversion?

Prior to filing an application for conversion, your board of directors must adopt a plan of conversion that conforms to §§ 563b.320 through 563b.485 and 563b.505. Your board of directors must adopt the plan by at least a two-thirds vote. Your plan of conversion is required, under § 563b.150, to be included in your conversion application.

### § 563b.130 What must I include in my plan of conversion?

You must include the information included in §§ 563b.320 through 563b.485 and 563b.505 in your plan of conversion. OTS may require you to delete or revise any provision in your plan of conversion if OTS determines the provision is inequitable; is detrimental to you, your account holders, or other savings associations; or is contrary to public interest.

### § 563b.135 How do I notify my members that my board of directors approved a plan of conversion?

(a) *Notice.* You must promptly notify your members that your board of directors adopted a plan of conversion and that a copy of the plan is available for the members' inspection in your home office and in your branch offices. You must mail a letter to each member or publish a notice in the local newspaper in every local community where you have an office. You may also issue a press release. OTS may require broader publication, if necessary, to ensure adequate notice to your members.

(b) *Contents of notice.* You may include any of the following statements and descriptions in your letter, notice, or press release.

(1) Your board of directors adopted a proposed plan to convert from a mutual to a stock savings institution.

(2) You will send your members a proxy statement with detailed information on the proposed conversion before you convene a members' meeting to vote on the conversion.

(3) Your members will have an opportunity to approve or disapprove the proposed conversion at a meeting. At least a majority of the eligible votes must approve the conversion.

(4) You will not vote existing proxies to approve or disapprove the conversion. You will solicit new proxies for voting on the proposed conversion.

(5) OTS, and in the case of a state-chartered savings association, the appropriate state regulator, must approve the conversion before the conversion will be effective. Your members will have an opportunity to file written comments, including objections and materials supporting the objections, with OTS.

(6) The IRS must issue a favorable tax ruling, or a tax expert must issue an appropriate tax opinion, on the tax consequences of your conversion before OTS will approve the conversion. The ruling or opinion must indicate the conversion will be a tax-free reorganization.

(7) OTS, and in the case of a state-chartered savings association, the appropriate state regulator, might not approve the conversion, and the IRS or a tax expert might not issue a favorable tax ruling or tax opinion.

(8) Savings account holders will continue to hold accounts in the converted savings association with the same dollar amounts, rates of return, and general terms as existing deposits. FDIC will continue to insure the accounts.

(9) Your conversion will not affect borrowers' loans, including the amount, rate, maturity, security, and other contractual terms.

(10) Your business of accepting deposits and making loans will continue without interruption.

(11) Your current management and staff will continue to conduct current services for depositors and borrowers under current policies and in existing offices.

(12) You may continue to be a member of the Federal Home Loan Bank System.

(13) You may substantively amend your proposed plan of conversion before the members' meeting.

(14) You may terminate the proposed conversion.

(15) After OTS, and in the case of a state-chartered savings association, the appropriate state regulator, approves the proposed conversion, you will send proxy materials providing additional information. After you send proxy materials, members may telephone or write to you with additional questions.

(16) The proposed record date for determining the eligible account holders who are entitled to receive subscription rights to purchase your shares.

(17) A brief description of the circumstances under which supplemental eligible account holders will receive subscription rights to purchase your shares.

(18) A brief description of how voting members may participate in the conversion.

(19) A brief description of how directors, officers, and employees will participate in the conversion.

(20) A brief description of the proposed plan of conversion.

(21) The par value (if any) and approximate number of shares you will issue and sell in the conversion.

(c) *Other requirements.* (1) You may not solicit proxies, provide financial statements, describe the benefits of conversion, or estimate the value of your shares upon conversion in the letter, notice, or press release.

(2) If you respond to inquiries about the conversion, you may address only the matters listed in paragraph (b) of this section.

### § 563b.140 May I amend my plan of conversion?

You may amend your plan of conversion before you solicit proxies. After you solicit proxies, you may amend your plan of conversion only if OTS concurs.

## Filing Requirements

### § 563b.150 What must I include in my application for conversion?

(a) Your application for conversion must include all of the following information.

(1) Your plan of conversion.

(2) Pricing materials meeting the requirements of § 563b.200(b).

(3) Proxy soliciting materials under § 563b.270, including:

(i) A preliminary proxy statement with signed financial statements;

(ii) A form of proxy meeting the requirements of § 563b.255; and

(iii) Any additional proxy soliciting materials, including press releases, personal solicitation instructions, radio or television scripts that you plan to use or furnish to your members, and a legal opinion indicating that any marketing materials comply with all applicable securities laws.

(4) An offering circular described in § 563b.300.

(5) The documents and information required by Form AC. You may obtain Form AC from OTS Washington and Regional Offices (see § 516.40 of this chapter) and OTS's website (*www.ots.treas.gov*).

(6) Where indicated, written consents, signed and dated, of any accountant, attorney, investment banker, appraiser, or other professional who prepared, reviewed, passed upon, or certified any statement, report, or valuation for use. *See* Form AC, instruction B(7).

(7) Your business plan, submitted as a separately bound, confidential exhibit. *See* § 563b.160.

(8) Any additional information OTS requests.

(b) OTS will not accept for filing, and will return, any application for conversion that is improperly executed, materially deficient, substantially incomplete, or that provides for unreasonable conversion expenses.

### § 563b.155 How do I file my application for conversion?

You must file seven copies of your application for conversion on Form AC. You must file the original and three conformed copies with the Applications Filing Room in Washington, and three conformed copies with the appropriate Regional Office at the addresses in § 516.40 of this chapter.

### § 563b.160 May I keep portions of my application for conversion confidential?

(a) OTS makes all filings under this part available to the public, but may keep portions of your application for conversion confidential under paragraph (b) of this section.

(b) You may request OTS to keep portions of your application confidential. To do so, you must separately bind and clearly designate as ''confidential'' any portion of your application for conversion that you deem confidential. You must provide a written statement specifying the grounds supporting your request for confidentiality. OTS will not treat as confidential the portion of your application describing how you plan to meet your Community Reinvestment Act (CRA) objectives. The CRA portion of your application may not incorporate by reference information contained in the confidential portion of your application.

(c) OTS will determine whether confidential information must be made available to the public under 5 U.S.C. 552 and part 505 of this chapter. OTS will advise you before it makes information you designated as ''confidential'' available to the public.

### § 563b.165 How do I amend my application for conversion?

To amend your application for conversion, you must:

(a) File an amendment with an appropriate facing sheet;

(b) Number each amendment consecutively;

(c) Respond to all issues raised by OTS; and

(d) Demonstrate that the amendment conforms to all applicable regulations.

## Notice of Filing of Application and Comment Process

### § 563b.180 How do I notify the public that I filed an application for conversion?

(a) You must publish a public notice of the application under the procedures in § 516.55 of this chapter, except that you must publish your notice within three days before or after you file your application for conversion. You must simultaneously prominently post the notice in your home office and all branch offices. Your notice must include the following information:

(1) You filed an application for conversion with OTS;

(2) You delivered copies of the application to OTS and to the Regional Office, including the addresses of the applicable OTS offices; and

(3) A statement that anyone may file written comments, including objections to the plan of conversion and materials supporting the objections, within 20 days. You must include instructions regarding how a person may file a comment.

(b) Promptly after publication, you must file four copies of any public notice and an affidavit of publication from each publisher. You must file the original and one copy with the Applications Filing Room in Washington, and two copies with the appropriate Regional Office at the addresses in § 516.40 of this chapter.

(c) If OTS does not accept your application for conversion under § 563b.200 and requires you to file a new application, you must publish and post a new notice and allow an additional 20 days for comment.

### § 563b.185 How may a person comment on my application for conversion?

Anyone may submit a written comment supporting or opposing your application for conversion with OTS. To do so, commenters must file within 20 days after you notify the public under § 563b.180. A commenter must file the original and one copy of any comments with the Applications Filing Room in Washington, and two copies with the appropriate Regional Office at the addresses in § 516.40 of this chapter.

## OTS Review of the Application for Conversion

### § 563b.200 What actions may OTS take on my application?

(a) OTS may approve your application for conversion only if:

(1) Your conversion complies with this part;

(2) You will meet your regulatory capital requirements under part 567 of this chapter after the conversion; and

(3) Your conversion will not result in a taxable reorganization under the Internal Revenue Code of 1986, as amended.

(b) OTS will review the appraisal required by § 563b.150(a)(2) in determining whether to approve your application. OTS will review the appraisal under the following requirements.

(1) Independent persons experienced and expert in corporate appraisal, and acceptable to OTS, must prepare the appraisal report.

(2) An affiliate of the appraiser may serve as an underwriter or selling agent, if you ensure that the appraiser is separate from the underwriter or selling agent affiliate and the underwriter or selling agent affiliate does not make recommendations or affect the appraisal.

(3) The appraiser may not receive any fee in connection with the conversion other than for appraisal services.

(4) The appraisal report must include a complete and detailed description of the elements of the appraisal, a justification for the appraisal methodology, and sufficient support for the conclusions.

(5) If the appraisal is based on a capitalization of your pro forma income, it must indicate the basis for determining the income to be derived from the sale of shares, and demonstrate that the earnings multiple used is appropriate, including future earnings growth assumptions.

(6) If the appraisal is based on a comparison of your shares with outstanding shares of existing stock associations, the existing stock associations must be reasonably comparable in size, market area, competitive conditions, risk profile, profit history, and expected future earnings.

(7) OTS may decline to process the application for conversion and deem it materially deficient or substantially incomplete if the initial appraisal report is materially deficient or substantially incomplete.

(8) You may not represent or imply that OTS approved the appraisal.

(c) OTS will review your compliance record under part 563e of this chapter and your business plan to determine how you will serve the convenience and needs of your communities after the conversion.

(1) Based on this review, OTS may approve your application, deny your application, or approve your application on the condition that you will improve your CRA performance or that you will address the particular credit or lending needs of the communities that you will serve.

(2) OTS may deny your application if your business plan does not demonstrate that your proposed use of conversion proceeds will help you to meet the credit and lending needs of the communities that you will serve.

(d) OTS may request that you amend your application if further explanation is necessary, material is missing, or material must be corrected.

(e) OTS will deny your application if the application does not meet the requirements of this subpart, unless OTS waives the requirement under § 563b.5(c).

### § 563b.205 May a court review OTS's final action on my conversion?

(a) Any person aggrieved by OTS's final action on your application for conversion may ask the court of appeals of the United States for the circuit in which the principal office or residence of such person is located, or the U.S. Court of Appeals for the District of Columbia Circuit, to review the action under 12 U.S.C. 1464(i)(2)(B).

(b) To obtain court review of the action, this statute requires the aggrieved person to file a written petition requesting that the court modify, terminate, or set aside the final OTS action. The aggrieved person must file the petition with the court within the later of 30 days after OTS publishes notice of OTS's final action in the **Federal Register** or 30 days after you mail the proxy statement to your members under § 563b.235.

## Vote by Members

### § 563b.225 Must I submit the plan of conversion to my members for approval?

(a) After OTS approves your plan of conversion, you must submit your plan of conversion to your members for approval. You must obtain this approval at a meeting of your members, which may be a special or annual meeting, unless you are a state-chartered savings association and state law requires you to obtain approval at an annual meeting.

(b) Your members must approve your plan of conversion by a majority of the total outstanding votes, unless you are a state-chartered savings association and state law prescribes a higher percentage.

(c) Your members may vote in person or by proxy.

(d) You may notify eligible account holders or supplemental eligible account holders who are not voting members of your proposed conversion. You may include only the information in § 563b.135 in your notice.

### § 563b.230 Who is eligible to vote?

You determine members' eligibility to vote by setting a voting record date. You must set a voting record date that is not more than 60 days nor less than 20 days before your meeting, unless you are a state-chartered savings association and state law requires a different voting record date.

### § 563b.235 How must I notify my members of the meeting?

(a) You must notify your members of the meeting to consider your conversion by sending the members a proxy statement authorized by OTS.

(b) You must notify your members 20 to 45 days before your meeting, unless you are a state-chartered savings association and state law requires a different notice period.

(c) You must also notify each beneficial holder of an account held in a fiduciary capacity:

(1) If you are a federal association and the name of the beneficial holder is disclosed on your records; or

(2) If you are a state-chartered association and the beneficial holder possesses voting rights under state law.

### § 563b.240 What must I submit to OTS after the members' meeting?

(a) Promptly after the members' meeting, you must file all of the following information with OTS:

(1) A certified copy of each adopted resolution on the conversion.

(2) The total votes eligible to be cast.

(3) The total votes represented in person or by proxy.

(4) The total votes cast in favor of and against each matter.

(5) The percentage of votes necessary to approve each matter.

(6) An opinion of counsel that you conducted the members' meeting in compliance with all applicable state or federal laws and regulations.

(b) Promptly after completion of the conversion, you must submit an opinion of counsel that you complied with all laws applicable to the conversion.

## Proxy Solicitation

### § 563b.250 Who must comply with these proxy solicitation provisions?

(a) You must comply with these proxy solicitation provisions when you provide proxy solicitation material to members for the meeting to vote on your plan of conversion.

(b) Your members must comply with these proxy solicitation provisions when they provide proxy solicitation materials to members for the meeting to vote on your conversion, pursuant to § 563b.280, except where:

(1) The member solicits 50 people or fewer and does not solicit proxies on your behalf; or

(2) The member solicits proxies through newspaper advertisements after your board of directors adopts the plan of conversion. Any newspaper advertisements may include only the following information:

(i) Your name;

(ii) The reason for the advertisement;

(iii) The proposal or proposals to be voted upon;

(iv) Where a member may obtain a copy of the proxy solicitation material; and

(v) A request for your members to vote at the meeting.

### § 563b.255 What must the form of proxy include?

The form of proxy must include all of the following:

(a) A statement in bold face type stating that management is soliciting the proxy.

(b) Blank spaces where the member must date and sign the proxy.

(c) Clear and impartial identification of each matter or group of related matters that members will vote upon. You must include any proposed

charitable contribution as an item to be voted on separately.

(d) The phrase ''Revocable Proxy'' in bold face type (at least 18 point).

(e) A description of any charter or state law requirement that restricts or conditions votes by proxy.

(f) An acknowledgment that the member received a proxy statement before he or she signed the form of proxy.

(g) The date, time, and the place of the meeting, when available.

(h) A way for the member to specify by ballot whether he or she approves or disapproves of each matter that members will vote upon.

(i) A statement that management will vote the proxy in accordance with the member's specifications.

(j) A statement in bold face type indicating how management will vote the proxy if the member does not specify a choice for a matter.

**§ 563b.260 May I use previously executed proxies?**

You may not use previously executed proxies for the plan of conversion vote. If members consider your plan of conversion at an annual meeting, you may vote proxies obtained through other proxy solicitations only on matters not related to your plan of conversion.

**§ 563b.265 How may I use proxies executed under this part?**

You may vote a proxy obtained under this part on matters that are incidental to the conduct of the meeting. You may not vote a proxy obtained under this subpart at any meeting other than the meeting (or any adjournment of the meeting) to vote on your plan of conversion.

**§ 563b.270 What must I include in my proxy statement?**

(a) *Content requirements.* You must prepare your proxy statement in compliance with this part and Form PS. You may obtain Form PS from OTS Washington and Regional Offices (see § 516.40 of this chapter) and OTS's website (*http://www.ots.treas.gov*).

(b) *Other requirements.* (1) OTS will review your proxy solicitation material when it reviews the application for conversion and will authorize the use of proxy solicitation material.

(2) You must provide an authorized written proxy statement to your members before or at the same time you provide any other soliciting material. You must mail authorized proxy solicitation material to your members within ten days after OTS authorizes the solicitation.

**§ 563b.275 How do I file revised proxy materials?**

(a) You must file revised proxy materials as an amendment to your application for conversion. *See* § 563b.155 for where to file.

(b) To revise your proxy solicitation materials, you must file:

(1) Seven copies of your revised proxy materials as required by Form PS;

(2) Seven copies of your revised form of proxy, if applicable; and

(3) Seven copies of any additional proxy solicitation material subject to § 563b.270.

(c) You must mark four of the seven required copies to clearly indicate changes from the prior filing.

(d) You must file seven definitive copies of all proxy solicitation material, in the form in which you furnish the material to your members. You must file no later than the date that you send or give the proxy solicitation material to your members. You must indicate the date that you will release the materials.

(e) Unless OTS requests you to do so, you do not have to file copies of replies to inquiries from your members or copies of communications that merely request members to sign and return proxy forms.

**§ 563b.280 Must I mail a member's proxy solicitation material?**

(a) You must mail the member's authorized proxy solicitation material if:

(1) Your board of directors adopted a plan of conversion;

(2) A member requests in writing that you mail the proxy solicitation material;

(3) OTS has authorized the member's proxy solicitation; and

(4) The member agrees to defray your reasonable expenses.

(b) As soon as practicable after you receive a request under paragraph (a) of this section, you must mail or otherwise furnish the following information to the member:

(1) The approximate number of members that you solicited or will solicit, or the approximate number of members of any group of account holders that the member designates; and

(2) The estimated cost of mailing the proxy solicitation material for the member.

(c) You must mail authorized proxy solicitation material to the designated members promptly after the member furnishes the materials, envelopes (or other containers), and postage (or payment for postage) to you.

(d) You are not responsible for the content of a member's proxy solicitation material.

(e) A member may furnish other members its own proxy solicitation material, authorized by OTS, subject to the rules in this section.

**§ 563b.285 What solicitations are prohibited?**

(a) *False or misleading statements.* (1) No one may use proxy solicitation material for the members' meeting if the material contains any statement which, considering the time and the circumstances of the statement:

(i) Is false or misleading with respect to any material fact;

(ii) Omits any material fact that is necessary to make the statements not false or misleading; or

(iii) Omits any material fact that is necessary to correct a statement in an earlier communication that has become false or misleading.

(2) No one may represent or imply that OTS determined that the proxy solicitation material is accurate, complete, not false or not misleading, or passed upon the merits of or approved any proposal.

(b) *Other prohibited solicitations.* No person may solicit:

(1) An undated or post-dated proxy;

(2) A proxy that states it will be dated after the date it is signed by a member;

(3) A proxy that is not revocable at will by the member; or

(4) A proxy that is part of another document or instrument.

**§ 563b.290 What will OTS do if a solicitation violates these prohibitions?**

(a) If a solicitation violates § 563b.285, OTS may require remedial measures, including:

(1) Correction of the violation by a retraction and a new solicitation;

(2) Rescheduling the members' meeting; or

(3) Any other actions necessary to ensure a fair vote.

(b) OTS may also bring an enforcement action against the violator.

**§ 563b.295 Will OTS require me to re-solicit proxies?**

If you amend your application for conversion, OTS may require you to re-solicit proxies for your members' meeting as a condition of approval of the amendment.

## Offering Circular

**§ 563b.300 What must happen before OTS declares my offering circular effective?**

(a) You must prepare and file your offering circular with OTS in compliance with this part and Form OC and, where applicable, part 563g of this chapter. Section 563b.155 governs where to file your offering circular. You may obtain Form OC from OTS Washington and Regional Offices (see

§ 516.40 of this chapter) and OTS's website (*http://www.ots.treas.gov*).

(b) You must condition your stock offering upon member approval of your plan of conversion.

(c) OTS will review the Form OC and may comment on the included disclosures and financial statements.

(d) You must file seven copies of each revised offering circular, final offering circular, and any post-effective amendment to the final offering circular.

(e) OTS will not approve the adequacy or accuracy of the offering circular or the disclosures.

(f) After you satisfactorily address OTS's concerns, you must request OTS to declare your Form OC effective for a time period. The time period may not exceed the maximum time period for the completion of the sale of all of your shares under § 563b.400.

**§ 563b.305 When may I distribute the offering circular?**

(a) You may distribute a preliminary offering circular at the same time as or after you mail the proxy statement to your members.

(b) You may not distribute an offering circular until OTS declares it effective. You must distribute the offering circular in accordance with this part.

(c) You must distribute your offering circular to persons listed in your plan of conversion within 10 days after OTS declares it effective.

**§ 563b.310 When must I file a post-effective amendment to the offering circular?**

(a) You must file a post-effective amendment to the offering circular with OTS when a material event or change of circumstance occurs.

(b) After OTS declares the post-effective amendment effective, you must immediately deliver the amendment to each person who subscribed for or ordered shares in the offering.

(c) Your post-effective amendment must indicate that each person may increase, decrease, or rescind their subscription or order.

(d) The post-effective offering period must remain open no less than 10 days nor more than 20 days, unless OTS approves a longer rescission period.

## Offers and Sales of Stock

**§ 563b.320 Who has priority to purchase my conversion shares?**

You must offer to sell your shares in the following order:

(a) Eligible account holders.

(b) Tax-qualified employee stock ownership plans.

(c) Supplemental eligible account holders.

(d) Other voting members who have subscription rights.

(e) Your community, your community and the general public, or the general public.

**§ 563b.325 When may I offer to sell my conversion shares?**

(a) You may offer to sell your conversion shares after OTS approves your conversion, authorizes your proxy statement, and declares your offering circular effective.

(b) The offer may commence at the same time you start the proxy solicitation of your members.

**§ 563b.330 How do I price my conversion shares?**

(a) You must sell your conversion shares at a uniform price per share and at a total price that is equal to the estimated pro forma market value of your shares after you convert.

(b) The maximum price must be no more than 15 percent above the midpoint of the estimated price range in your offering circular.

(c) The minimum price must be no more than 15 percent below the midpoint of the estimated price range in your offering circular.

(d) If OTS permits, you may increase the maximum price of conversion shares sold. The maximum price, as adjusted, must be no more than 15 percent above the maximum price computed under paragraph (b) of this section.

(e) The maximum price must be between $5 and $50 per share.

(f) You must include the estimated price in any preliminary offering circular.

**§ 563b.335 How do I sell my conversion shares?**

(a) You must distribute order forms to all eligible account holders, supplemental eligible account holders, and other voting members to enable them to subscribe for the conversion shares they are permitted under the plan of conversion. You may either send the order forms with your offering circular or after you distribute your offering circular.

(b) You may sell your conversion shares in a community offering, a public offering, or both. You may begin the community offering, the public offering, or both at any time during the subscription offering or upon conclusion of the subscription offering.

(c) You may pay underwriting commissions (including underwriting discounts). OTS may object to the payment of unreasonable commissions. You may reimburse an underwriter for accountable expenses in a subscription offering if the public offering is limited. If no public offering occurs, you may pay an underwriter a consulting fee. OTS may object to the payment of unreasonable consulting fees.

(d) If you conduct the community offering, the public offering, or both at the same time as the subscription offering, you must fill all subscription orders first.

(e) You must prepare your order form in compliance with this part and Form OF. You may obtain Form OF from OTS Washington and Regional Offices (see § 516.40 of this chapter) and OTS's website (*http://www.ots.treas.gov*).

**§ 563b.340 What sales practices are prohibited?**

(a) In connection with offers, sales, or purchases of conversion shares under this part, you and your directors, officers, agents, or employees may not:

(1) Employ any device, scheme, or artifice to defraud;

(2) Obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading; or

(3) Engage in any act, transaction, practice, or course of business that operates or would operate as a fraud or deceit upon a purchaser or seller.

(b) During your conversion, no person may:

(1) Transfer, or enter into any agreement or understanding to transfer, the legal or beneficial ownership of subscription rights for your conversion shares or the underlying securities to the account of another;

(2) Make any offer, or any announcement of an offer, to purchase any of your conversion shares from anyone but you; or

(3) Knowingly acquire more than the maximum purchase allowable under your plan of conversion.

(c) The restrictions in paragraphs (b)(1) and (b)(2) of this section do not apply to offers for more than 10 percent of any class of conversion shares by:

(1) An underwriter or a selling group, acting on your behalf, that makes the offer with a view toward public resale; or

(2) One or more of your tax-qualified employee stock ownership plans so long as the plan or plans do not beneficially own more than 25 percent of any class of your equity securities in the aggregate.

(d) If any person is found to have violated the restrictions in paragraphs (b)(1) and (b)(2) of this section, they may face prosecution or other legal action.

**§ 563b.345 How may a subscriber pay for my conversion shares?**

(a) A subscriber may purchase conversion shares with cash, by a withdrawal from a savings account, or a withdrawal from a certificate of deposit. If a subscriber purchases shares by a withdrawal from a certificate of deposit, you may not assess a penalty for the withdrawal.

(b) You may not extend credit to any person to purchase your conversion shares.

**§ 563b.350 Must I pay interest on payments for conversion shares?**

(a) You must pay interest from the date you receive a payment for conversion shares until the date you complete or terminate the conversion. You must pay interest at no less than your passbook rate for amounts paid in cash, check, or money order.

(b) If a subscriber withdraws money from a savings account to purchase conversion shares, you must pay interest on the payment until you complete or terminate the conversion as if the withdrawn amount remained in the account.

(c) If a depositor fails to maintain the applicable minimum balance requirement because he or she withdraws money from a certificate of deposit to purchase conversion shares, you may cancel the certificate and pay interest at no less than your passbook rate on any remaining balance.

**§ 563b.355 What subscription rights must I give to each eligible account holder and each supplemental eligible account holder?**

(a) You must give each eligible account holder subscription rights to purchase conversion shares in an amount equal to the greater of:

(1) The maximum purchase limitation established for the community offering or the public offering under § 563b.395;

(2) One-tenth of one percent of the total stock offering; or

(3) Fifteen times the following number: The total number of conversion shares that you will issue, multiplied by the following fraction. The numerator is the total qualifying deposit of the eligible account holder. The denominator is the total qualifying deposits of all eligible account holders. You must round down the product of this multiplied fraction to the next whole number.

(b) You must give subscription rights to purchase shares to each supplemental eligible account holder in the same amount as described in paragraph (a) of this section, except that you must compute the fraction described in paragraph (a)(3) of this section as follows: The numerator is the total qualifying deposit of the supplemental eligible account holder. The denominator is the total qualifying deposits of all supplemental eligible account holders.

**§ 563b.360 Are my officers, directors, and their associates eligible account holders?**

Your officers, directors, and their associates may be eligible account holders. However, if an officer, director, or his or her associate receives subscription rights based on increased deposits in the year before the eligibility record date, you must subordinate subscription rights for these deposits to subscription rights exercised by other eligible account holders.

**§ 563b.365 May other voting members purchase conversion shares in the conversion?**

(a) You must give rights to purchase your conversion shares in the conversion to voting members who are neither eligible account holders nor supplemental eligible account holders. You must allocate rights to each voting member that are equal to the greater of:

(1) The maximum purchase limitation established for the community offering and the public offering under § 563b.395; or

(2) One-tenth of one percent of the total stock offering.

(b) You must subordinate the voting members' rights to the rights of eligible account holders, tax-qualified employee stock ownership plans, and supplemental eligible account holders.

**§ 563b.370 Does OTS limit the aggregate purchases by officers, directors, and their associates?**

(a) When you convert, your officers, directors, and their associates may not purchase, in the aggregate, more than the following percentage of your total stock offering:

| Institution size | Officer and director purchases (percent) |
|---|---|
| $50,000,000 or less | 35 |
| $50,000,001–100,000,000 | 34 |
| $100,000,001–150,000,000 | 33 |
| $150,000,001–200,000,000 | 32 |
| $200,000,001–250,000,000 | 31 |
| $250,000,001–300,000,000 | 30 |
| $300,000,001–350,000,000 | 29 |
| $350,000,001–400,000,000 | 28 |
| $400,000,001–450,000,000 | 27 |
| $450,000,001–500,000,000 | 26 |
| Over $500,000,000 | 25 |

(b) The purchase limitations in this section do not apply to shares held in tax-qualified employee stock benefit plans that are attributable to your officers, directors, and their associates.

**§ 563b.375 How do I allocate my conversion shares if my shares are oversubscribed?**

(a) If your conversion shares are oversubscribed by your eligible account holders, you must allocate shares among the eligible account holders so that each, to the extent possible, may purchase 100 shares.

(b) If your conversion shares are oversubscribed by your supplemental eligible account holders, you must allocate shares among the supplemental eligible account holders so that each, to the extent possible, may purchase 100 shares.

(c) If a person is an eligible account holder and a supplemental eligible account holder, you must include the eligible account holder's allocation in determining the number of conversion shares that you may allocate to the person as a supplemental eligible account holder.

(d) For conversion shares that you do not allocate under paragraphs (a) and (b) of this section, you must allocate the shares among the eligible or supplemental eligible account holders equitably, based on the amounts of qualifying deposits. You must describe this method of allocation in your plan of conversion.

(e) If shares remain after you have allocated shares as provided in paragraphs (a) and (b) of this section, and if your voting members oversubscribe, you must allocate your conversion shares among those members equitably. You must describe the method of allocation in your plan of conversion.

**§ 563b.380 May my employee stock ownership plan purchase conversion shares?**

(a) Your tax-qualified employee stock ownership plan may purchase up to 10 percent of the total offering of your conversion shares.

(b) If OTS approves a revised stock valuation range as described in § 563b.330(e), and the final conversion stock valuation range exceeds the former maximum stock offering range, you may allocate conversion shares to your tax-qualified employee stock ownership plan, up to the 10 percent limit in paragraph (a) of this section.

(c) If your tax-qualified employee stock ownership plan is not able to or chooses not to purchase stock in the offering, it may, with prior OTS approval and appropriate disclosure in your offering circular, purchase stock in the open market, or purchase authorized but unissued conversion shares.

(d) You may include stock contributed to a charitable organization in the conversion in the calculation of the total offering of conversion shares under paragraphs (a) and (b) of this section, unless OTS objects on supervisory grounds.

**§ 563b.385 May I impose any purchase limitations?**

(a) You may limit the number of shares that any person, group of associated persons, or persons otherwise acting in concert, may subscribe to between one percent and five percent of the total stock sold.

(b) If you set a limit of five percent under paragraph (a) of this section, you may modify that limit with OTS approval to provide that any person, group of associated persons, or persons otherwise acting in concert subscribing for five percent, may purchase between five and ten percent as long as the aggregate amount that the subscribers purchase does not exceed 10 percent of the total stock offering.

(c) You may require persons exercising subscription rights to purchase a minimum number of conversion shares. The minimum number of shares must equal the lesser of the number of shares obtained by a $500 subscription or 25 shares.

(d) In setting purchase limitations under this section, you may not aggregate conversion shares attributed to a person in your tax-qualified employee stock ownership plan with shares purchased directly by, or otherwise attributable to, that person.

**§ 563b.390 Must I provide a purchase preference to persons in my local community?**

(a) In your subscription offering, you may give a purchase preference to eligible account holders, supplemental eligible account holders, and voting members residing in your local community.

(b) In your community offering, you must give a purchase preference to natural persons residing in your local community.

**§ 563b.395 What other conditions apply when I offer conversion shares in a community offering, a public offering, or both?**

(a) You must offer and sell your stock to achieve a widespread distribution of the stock.

(b) If you offer shares in a community offering, a public offering, or both, you must first fill orders for your stock up to a maximum of two percent of the conversion stock on a basis that will promote a widespread distribution of stock. You must allocate any remaining shares on an equal number of shares per order basis until you fill all orders.

## Completion of the Offering

**§ 563b.400 When must I complete the sale of my stock?**

You must complete all sales of your stock within 45 calendar days after the last day of the subscription period, unless the offering is extended under § 563b.405.

**§ 563b.405 How do I extend the offering period?**

(a) You must request, in writing, an extension of any offering period.

(b) OTS may grant extensions of time to sell your shares. OTS will not grant any single extension of more than 90 days.

(c) If OTS grants your request for an extension of time, you must provide a post-effective amendment to the offering circular under § 563b.310 to each person who subscribed for or ordered stock. Your amendment must indicate that OTS extended the offering period and that each person who subscribed for or ordered stock may increase, decrease, or rescind their subscription or order within the time remaining in the extension period.

## Completion of the Conversion

**§ 563b.420 When must I complete my conversion?**

(a) In your plan of conversion, you must set a date by which the conversion must be completed. This date must not be more than 24 months from the date that your members approve the plan of conversion. The date, once set, may not be extended by you or by OTS. You must terminate the conversion if it is not completed by that date.

(b) Your conversion is complete on the date that you accept the offers for your stock.

**§ 563b.425 Who may terminate the conversion?**

(a) Your members may terminate the conversion by failing to approve the conversion at your members' meeting.

(b) You may terminate the conversion before your members' meeting.

(c) You may terminate the conversion after the members' meeting only if OTS concurs.

**§ 563b.430 What happens to my old charter?**

(a) If you are a federally chartered mutual savings association or savings bank, and you convert to a federally chartered stock savings association or savings bank, you must apply to OTS to amend your charter and bylaws consistent with part 552 of this chapter, as part of your application for conversion. You may only include OTS pre-approved anti-takeover provisions in your amended charter and bylaws. *See* 12 CFR 552.4(b)(8).

(b) If you are a federally chartered mutual savings association or savings bank and you convert to a state-chartered stock savings association under this part, you must surrender your federal charter to OTS for cancellation promptly after the state issues your charter. You must promptly file a copy of your new state stock charter with OTS.

(c) If you are a state-chartered mutual savings association or savings bank, and you convert to a federally chartered stock savings association or savings bank, you must apply to OTS for a new charter and bylaws consistent with part 552 of this chapter. You may only include OTS pre-approved anti-takeover provisions in your charter and bylaws. See 12 CFR 552.4(b)(8).

(d) Your new or amended charter must require you to establish and maintain a liquidation account for eligible and supplemental eligible account holders under § 563b.450.

**§ 563b.435 What happens to my corporate existence after conversion?**

Your corporate existence will continue following your conversion, unless you convert to a state-chartered stock savings association and state law prescribes otherwise.

**§ 563b.440 What voting rights must I provide to stockholders after the conversion?**

You must provide your stockholders with exclusive voting rights, except as provided in § 563b.445(c).

**§ 563b.445 What must I provide my savings account holders?**

(a) You must provide each savings account holder, without payment, a withdrawable savings account or accounts in the same amount and under the same terms and conditions as their accounts before your conversion.

(b) You must provide a liquidation account for each eligible and supplemental eligible account holder under § 563b.450.

(c) If you are a state-chartered savings association and state law requires you to provide voting rights to savings account holders or borrowers, your charter must:

(1) Limit these voting rights to the minimum required by state law; and

(2) Require you to solicit proxies from the savings account holders and borrowers in the same manner that you solicit proxies from your stockholders.

## Liquidation Account

### § 563b.450 What is a liquidation account?

(a) A liquidation account represents the potential interest of eligible account holders and supplemental eligible account holders in your net worth at the time of conversion. You must maintain a sub-account to reflect the interest of each account holder.

(b) Before you may provide a liquidation distribution to common stockholders, you must give a liquidation distribution to those eligible account holders and supplemental eligible account holders who hold savings accounts from the time of conversion until liquidation.

(c) You may not record the liquidation account in your financial statements. You must disclose the liquidation account in the footnotes to your financial statements.

### § 563b.455 What is the initial balance of the liquidation account?

The initial balance of the liquidation account is your net worth in the statement of financial condition included in the final offering circular.

### § 563b.460 How do I determine the initial balances of liquidation sub-accounts?

(a)(1) You determine the initial sub-account balance for a savings account held by an eligible account holder by multiplying the initial balance of the liquidation account by the following fraction: The numerator is the qualifying deposit in the savings account expressed in dollars on the eligibility record date. The denominator is total qualifying deposits of all eligible account holders on that date.

(2) You determine the initial sub-account balance for a savings account held by a supplemental eligible account holder by multiplying the initial balance of the liquidation account by the following fraction: The numerator is the qualifying deposit in the savings account expressed in dollars on the supplemental eligibility record date. The denominator is total qualifying deposits of all supplemental eligible account holders on that date.

(3) If an account holder holds a savings account on the eligibility record date and a separate savings account on the supplemental eligibility record date, you must compute separate sub-accounts for the qualifying deposits in the savings account on each record date.

(b) You may not increase the initial sub-account balances. You must decrease the initial balance under § 563b.470 as depositors reduce or close their accounts.

### § 563b.465 Do account holders retain any voting rights based on their liquidation sub-accounts?

Eligible account holders or supplemental eligible account holders do not retain any voting rights based on their liquidation sub-accounts.

### § 563b.470 Must I adjust liquidation sub-accounts?

(a)(1) You must reduce the balance of an eligible account holder's or supplemental eligible account holder's sub-account if the deposit balance in the account holder's savings account at the close of business on any annual closing date, which for purposes of this section is your fiscal year end, after the relevant eligibility record dates is less than:

(i) The deposit balance in the account holder's savings account at the close of business on any other annual closing date after the relevant eligibility record date; or

(ii) The qualifying deposits in the account holder's savings account on the relevant eligibility record date.

(2) The reduction must be proportionate to the reduction in the deposit balance.

(b) If you reduce the balance of a liquidation sub-account, you may not subsequently increase it if the deposit balance increases.

(c) You are not required to adjust the liquidation account and sub-account balances at each annual closing date if you maintain sufficient records to make the computations if a liquidation subsequently occurs.

(d) You must maintain the liquidation sub-account for each account holder as long as the account holder maintains an account with the same social security number.

(e) If there is a complete liquidation, you must provide each account holder with a liquidation distribution in the amount of the sub-account balance.

### § 563b.475 What is a liquidation?

(a) A liquidation is a sale of your assets and settlement of your liabilities with the intent to cease operations and close. Upon liquidation, you must return your charter to the governmental agency that issued it. The government agency must cancel your charter.

(b) A merger, consolidation, or similar combination or transaction with another depository institution, is not a liquidation. If you are involved in such a transaction, the surviving institution must assume the liquidation account.

### § 563b.480 Does the liquidation account affect my net worth?

The liquidation account does not affect your net worth.

### § 563b.485 What provision must I include in my new federal charter?

If you convert to federal stock form, you must include the following provision in your new charter: ''Liquidation Account. Under OTS regulations, the association must establish and maintain a liquidation account for the benefit of its savings account holders as of _____. If the association undergoes a complete liquidation, it must comply with OTS regulations with respect to the amount and priorities on liquidation of each of the savings account holder's interests in the liquidation account. A savings account holder's interest in the liquidation account does not entitle the savings account holder to any voting rights.''

## Post-Conversion

### § 563b.500 May I implement a stock option plan or management or employee stock benefit plan?

(a) You may implement a stock option plan or management or employee stock benefit plan within 12 months after your conversion, if you meet all of the following requirements.

(1) You disclose the plans in your proxy statement and offering circular and indicate in the offering circular that there will be a separate vote on the plans at least six months after the conversion.

(2) You do not grant stock options under your stock option plan in excess of 10 percent of shares that you issued in the conversion.

(3) You do not permit your management stock benefit plans, in the aggregate, to hold more than three percent of the shares that you issued in the conversion. However, if you have tangible capital of 10 percent or more following the conversion, OTS may permit you to establish a management stock benefit plan that holds up to four percent of the shares that you issued in the conversion.

(4) You do not permit your tax-qualified employee stock benefit plan(s) and your management stock benefit plans, in the aggregate, to hold more than 10 percent of the shares that you issued in the conversion. However, if you have tangible capital of 10 percent or more following the conversion, OTS may permit your tax-qualified employee stock benefit plan(s) and your management stock benefit plans, in the aggregate, to hold up to 12 percent of the shares that you issued in the conversion.

(5) No individual receives more than 25 percent of the shares under any plan.

(6) Your directors who are not your employees do not receive more than five

percent of the shares of any plan individually, or 30 percent of the shares of any plan in the aggregate.

(7) Your shareholders approve each plan by a majority of the total votes eligible to be cast at a duly called meeting before you establish or implement the plan. You may not hold this meeting until six months after your conversion. If you are a subsidiary of a mutual holding company, a majority of the total votes eligible to be cast (other than your parent mutual holding company) must approve each plan before you may establish or implement the plan.

(8) When you distribute proxies or related material to shareholders in connection with the vote on a plan, you state that the plan complies with OTS regulations and that OTS does not endorse or approve the plan in any way. You may not make any written or oral representation to the contrary.

(9) You do not grant stock options at less than the market price at the time of grant.

(10) You do not use stock issued at the time of conversion to fund management or employee stock benefit plans.

(11) Your plan does not begin to vest earlier than one year after your shareholders approve the plan, and does not vest at a rate exceeding 20 percent a year.

(12) Your plan permits accelerated vesting only for disability or death, or if you undergo a change of control.

(13) Your plan provides that your executive officers or directors must exercise or forfeit their options in the event the institution becomes critically undercapitalized (as defined in § 565.4 of this chapter), is subject to OTS enforcement action, or receives a capital directive under § 565.7 of this chapter.

(14) You file a copy of the approved stock option plan or management or employee stock benefit plan with OTS and certify to OTS in writing that the plan approved by the shareholders is the same plan that you filed with, and disclosed in, the proxy materials distributed to shareholders in connection with the vote on the plan.

(15) You file the plan and the certification with OTS within five calendar days after your shareholders approve the plan.

(b) You may provide dividend equivalent rights or dividend adjustment rights to allow for stock splits or other adjustments to your stock in stock option plans or management or employee stock benefit plans under this section.

(c) If the plan is amended more than one year following your conversion, any material deviations to the requirements in paragraph (a) of this section must be ratified by your shareholders.

### § 563b.505 May my directors, officers, and their associates freely trade shares?

(a) Directors and officers who purchase conversion shares may not sell the shares for one year after the date of purchase, except that in the event of the death of the officer or director, the successor in interest may sell the shares.

(b) You must include notice of the restriction described in paragraph (a) of this section on each certificate of stock that a director or officer purchases during the conversion or receives in connection with a stock dividend, stock split, or otherwise with respect to such restricted shares.

(c) You must instruct your stock transfer agent about the transfer restrictions in this section.

(d) For three years after you convert, your officers, directors, and their associates may purchase your stock only from a broker or dealer registered with the Securities and Exchange Commission. However, your officers, directors, and their associates may engage in a negotiated transaction involving more than one percent of your outstanding stock, and may purchase stock through any of your management or employee stock benefit plans.

### § 563b.510 May I repurchase shares after conversion?

(a) You may not repurchase your shares in the first year after the conversion except:

(1) In extraordinary circumstances, you may make open market repurchases of up to five percent of your outstanding stock in the first year after the conversion if you file a notice under § 563b.515(a) and OTS does not disapprove your repurchase. OTS will not approve such repurchases unless the repurchase meets the standards in § 563b.515(c), and the repurchase is consistent with paragraph (c) of this section.

(2) You may repurchase qualifying shares of a director or conduct an OTS approved repurchase pursuant to an offer made to all shareholders of your association.

(3) Repurchases to fund management recognition plans that have been ratified by shareholders do not count toward the repurchase limitations in this section. Repurchases in the first year to fund such plans require prior written notification to OTS.

(4) Purchases to fund tax qualified employee stock benefit plans do not count toward the repurchase limitations in this section.

(b) After the first year, you may repurchase your shares, subject to all other applicable regulatory and supervisory restrictions and paragraph (c) of this section.

(c) All stock repurchases are subject to the following restrictions.

(1) You may not repurchase your shares if the repurchase will reduce your regulatory capital below the amount required for your liquidation account under § 563b.450. You must comply with the capital distribution requirements at part 563, subpart E of this chapter.

(2) The restrictions on share repurchases apply to a charitable organization under § 563b.550. You must aggregate purchases of shares by the charitable organization with your repurchases.

### 563b.515 What information must I provide to OTS before I repurchase my shares?

(a) To repurchase stock in the first year following conversion, other than repurchases under § 563b.510(a)(3) or (a)(4), you must file a written notice with the OTS. You must provide the following information:

(1) Your proposed repurchase program;

(2) The effect of the repurchases on your regulatory capital; and

(3) The purpose of the repurchases and, if applicable, an explanation of the extraordinary circumstances necessitating the repurchases.

(b) You must file your notice with your Regional Director, with a copy to the Applications Filing Room, at least ten days before you begin your repurchase program.

(c) You may not repurchase your shares if OTS objects to your repurchase program. OTS will not object to your repurchase program if:

(1) Your repurchase program will not adversely affect your financial condition;

(2) You submit sufficient information to evaluate your proposed repurchases;

(3) You demonstrate extraordinary circumstances and a compelling and valid business purpose for the share repurchases; and

(4) Your repurchase program would not be contrary to other applicable regulations.

### § 563b.520 May I declare or pay dividends after I convert?

You may declare or pay a dividend on your shares after you convert if:

(a) The dividend will not reduce your regulatory capital below the amount required for your liquidation account under § 563b.450;

(b) You comply with all capital requirements under part 567 of this

chapter after you declare or pay dividends;

(c) You comply with the capital distribution requirements under part 563, subpart E, of this chapter; and

(d) You do not return any capital, other than ordinary dividends, to purchasers during the term of the business plan submitted with the conversion.

### § 563b.525 Who may acquire my shares after I convert?

(a) For three years after you convert, no person may, directly or indirectly, acquire or offer to acquire the beneficial ownership of more than ten percent of any class of your equity securities without OTS's prior written approval. If a person violates this prohibition, you may not permit the person to vote shares in excess of ten percent, and may not count the shares in excess of ten percent in any shareholder vote.

(b) A person acquires beneficial ownership of more than ten percent of a class of shares when he or she holds any combination of your stock or revocable or irrevocable proxies under circumstances that give rise to a conclusive control determination or rebuttable control determination under §§ 574.4(a) and (b) of this chapter. OTS will presume that a person has acquired shares if the acquiror entered into a binding written agreement for the transfer of shares. For purposes of this section, an offer is made when it is communicated. An offer does not include non-binding expressions of understanding or letters of intent regarding the terms of a potential acquisition.

(c) Notwithstanding the restrictions in this section:

(1) Paragraphs (a) and (b) of this section do not apply to any offer with a view toward public resale made exclusively to you, to the underwriters, or to a selling group acting on your behalf.

(2) Unless OTS objects in writing, any person may offer or announce an offer to acquire up to one percent of any class of shares. In computing the one percent limit, the person must include all of his or her acquisitions of the same class of shares during the prior 12 months.

(3) A corporation whose ownership is, or will be, substantially the same as your ownership may acquire or offer to acquire more than ten percent of your common stock, if it makes the offer or acquisition more than one year after you convert.

(4) One or more of your tax-qualified employee stock benefit plans may acquire your shares, if the plan or plans do not beneficially own more than 25 percent of any class of your shares in the aggregate.

(5) An acquiror does not have to file a separate application to obtain OTS approval under paragraph (a) of this section, if the acquiror files an application under part 574 of this chapter that specifically addresses the criteria listed under paragraph (d) of this section and you do not oppose the proposed acquisition.

(d) OTS may deny an application under paragraph (a) of this section if the proposed acquisition:

(1) Is contrary to the purposes of this part;

(2) Is manipulative or deceptive;

(3) Subverts the fairness of the conversion;

(4) Is likely to injure you;

(5) Is inconsistent with your plan to meet the credit and lending needs of your proposed market area;

(6) Otherwise violates laws or regulations; or

(7) Does not prudently deploy your conversion proceeds.

### § 563b.530 What other requirements apply after I convert?

After you convert, you must:

(a) Promptly register your shares under the Securities Exchange Act of 1934 (15 U.S.C. 78a–78jj, as amended). You may not deregister the shares for three years.

(b) Encourage and assist a market maker to establish and to maintain a market for your shares. A market maker for a security is a dealer who:

(1) Regularly publishes bona fide competitive bid and offer quotations for the security in a recognized inter-dealer quotation system;

(2) Furnishes bona fide competitive bid and offer quotations for the security on request; or

(3) May effect transactions for the security in reasonable quantities at quoted prices with other brokers or dealers.

(c) Use your best efforts to list your shares on a national or regional securities exchange or on the National Association of Securities Dealers Automated Quotation system.

(d) File all post-conversion reports that OTS requires.

## Contributions to Charitable Organizations

### § 563b.550 May I donate conversion shares or conversion proceeds to a charitable organization?

You may contribute some of your conversion shares or proceeds to a charitable organization if:

(a) Your plan of conversion provides for the proposed contribution;

(b) Your members approve the proposed contribution; and

(c) The IRS either has approved, or approves within two years after formation, the charitable organization as a tax-exempt charitable organization under the Internal Revenue Code.

### § 563b.555 How do my members approve a charitable contribution?

At the meeting to consider your conversion, your members must separately approve by at least a majority of the total eligible votes, a contribution of conversion shares or proceeds. If you are in mutual holding company form and adding a charitable contribution as part of a second step stock conversion, you must also have your minority shareholders separately approve the charitable contribution by a majority of their total eligible votes.

### § 563b.560 How much may I contribute to a charitable organization?

You may contribute a reasonable amount of conversion shares or proceeds to a charitable organization, if your contribution will not exceed limits for charitable deductions under the Internal Revenue Code and OTS does not object on supervisory grounds. If you are a well-capitalized savings association, OTS generally will not object if you contribute an aggregate amount of eight percent or less of the conversion shares or proceeds.

### § 563b.565 What must the charitable organization include in its organizational documents?

The charitable organization's charter (or trust agreement) and gift instrument must provide that:

(a) The charitable organization's primary purpose is to serve and make grants in your local community;

(b) As long as the charitable organization controls shares, it must vote those shares in the same ratio as all other shares voted on each proposal considered by your shareholders;

(c) For at least five years after its organization, one seat on the charitable organization's board of directors (or board of trustees) is reserved for an independent director (or trustee) from your local community. This director may not be your officer, director, or employee, or your affiliate's officer, director, or employee, and should have experience with local community charitable organizations and grant making; and

(d) For at least five years after its organization, one seat on the charitable organization's board of directors (or board of trustees) is reserved for a director from your board of directors or the board of directors of an acquiror or

resulting institution in the event of a merger or acquisition of your organization.

**§ 563b.570 How do I address conflicts of interest involving my directors?**

(a) A person who is your director, officer, or employee, or a person who has the power to direct your management or policies, or otherwise owes a fiduciary duty to you (for example, holding company directors) and who will serve as an officer, director, or employee of the charitable organization, is subject to § 563.200 of this chapter. *See* Form AC (Exhibit 9) for further information on operating plans and conflict of interest plans.

(b) Before your board of directors may adopt a plan of conversion that includes a charitable organization, you must identify your directors that will serve on the charitable organization's board. These directors may not participate in your board's discussions concerning contributions to the charitable organization, and may not vote on the matter.

**§ 563b.575 What other requirements apply to charitable organizations?**

(a) The charitable organization's charter (or trust agreement) and the gift instrument for the contribution must provide that:

(1) OTS may examine the charitable organization at the charitable organization's expense;

(2) The charitable organization must comply with all supervisory directives that OTS imposes;

(3) The charitable organization must annually provide OTS with a copy of the annual report that the charitable organization submitted to the IRS;

(4) The charitable organization must operate according to written policies adopted by its board of directors (or board of trustees), including a conflict of interest policy; and

(5) The charitable organization may not engage in self-dealing, and must comply with all laws necessary to maintain its tax-exempt status under the Internal Revenue Code.

(b) You must include the following legend in the stock certificates of shares that you contribute to the charitable organization or that the charitable organization otherwise acquires: ''The board of directors must consider the shares that this stock certificate represents as voted in the same ratio as all other shares voted on each proposal considered by the shareholders, as long as the shares are controlled by the charitable organization.''

(c) As long as the charitable organization controls shares, you must consider those shares as voted in the same ratio as all of the shares voted on each proposal considered by your shareholders.

(d) After you complete your stock offering, you must submit four executed copies of the following documents to the OTS Applications Filing Room in Washington, and three executed copies to the OTS Regional Office: the charitable organization's charter and bylaws (or trust agreement), operating plan (within six months after your stock offering), conflict of interest policy, and the gift instrument for your contributions of either stock or cash to the charitable organization.

## Subpart B—Voluntary Supervisory Conversions

**§ 563b.600 What does this subpart do?**

(a) You must comply with this subpart to engage in a voluntary supervisory conversion. This subpart applies to all voluntary supervisory conversions under secs. 5(i)(1), (i)(2), and (p) of the Home Owners' Loan Act (HOLA), 12 U.S.C. 1464(i)(1), (i)(2), and (p).

(b) Subpart A of this part also applies to a voluntary supervisory conversion, unless a requirement is clearly inapplicable.

**§ 563b.605 How may I conduct a voluntary supervisory conversion?**

(a) You may sell your shares or the shares of a holding company to the public under the requirements of subpart A of this part.

(b) You may convert to stock form by merging into an interim federal-or state-chartered stock association.

(c) You may sell your shares directly to an acquiror, who may be a person, company, depository institution, or depository institution holding company.

(d) You may merge or consolidate with an existing or newly created depository institution. The merger or consolidation must be authorized by, and is subject to, other applicable laws and regulations.

**§ 563b.610 Do my members have rights in a voluntary supervisory conversion?**

Your members do not have the right to approve or participate in a voluntary supervisory conversion, and will not have any legal or beneficial ownership interests in the converted association, unless OTS provides otherwise. Your members may have interests in a liquidation account, if one is established.

### Eligibility

**§ 563b.625 When is a savings association eligible for a voluntary supervisory conversion?**

(a) If you are an insured savings association, you may be eligible to convert under this subpart if:

(1) You are significantly undercapitalized (or you are undercapitalized and a standard conversion that would make you adequately capitalized is not feasible) and you will be a viable entity following the conversion;

(2) Severe financial conditions threaten your stability and a conversion is likely to improve your financial condition;

(3) FDIC will assist you under section 13 of the Federal Deposit Insurance Act, 12 U.S.C. 1823; or

(4) You are in receivership and a conversion will assist you.

(b) You will be a viable entity following the conversion if you satisfy all of the following:

(1) You will be adequately capitalized as a result of the conversion;

(2) You, your proposed conversion, and your acquiror(s) comply with applicable supervisory policies;

(3) The transaction is in your best interest, and the best interest of the federal deposit insurance funds and the public; and

(4) The transaction will not injure or be detrimental to you, the federal deposit insurance funds, or the public interest.

**§ 563b.630 When is a BIF-insured state-chartered savings bank eligible for a voluntary supervisory conversion?**

If you are a BIF-insured state-chartered savings bank you may be eligible to convert to a federal stock savings bank under this subpart if:

(a) FDIC certifies under section 5(o)(2)(C) of the HOLA that severe financial conditions threaten your stability and that the voluntary supervisory conversion is likely to improve your financial condition, and OTS concurs with this certification; or

(b) You meet the following conditions:

(1) Your liabilities exceed your assets, as calculated under generally accepted accounting principles, assuming you are a going concern; and

(2) You will issue a sufficient amount of permanent capital stock to meet your applicable FDIC capital requirement immediately upon completion of the conversion, or FDIC determines that you will achieve an acceptable capital level within an acceptable time period.

## Plan of Supervisory Conversion

### § 563b.650 What must I include in my plan of voluntary supervisory conversion?

A majority of your board of directors must adopt a plan of voluntary supervisory conversion. You must include all of the following information in your plan of voluntary supervisory conversion.

(a) Your name and address.

(b) The name, address, date and place of birth, and social security number of each proposed purchaser of conversion shares and a description of that purchaser's relationship to you.

(c) The title, per-unit par value, number, and per-unit and aggregate offering price of shares that you will issue.

(d) The number and percentage of shares that each investor will purchase.

(e) The aggregate number and percentage of shares that each director, officer, and any affiliates or associates of the director or officer will purchase.

(f) A description of any liquidation account.

(g) Certified copies of all resolutions of your board of directors relating to the conversion.

## Voluntary Supervisory Conversion Application

### § 563b.660 What must I include in my voluntary supervisory conversion application?

You must include all of the following information and documents in a voluntary supervisory conversion application to OTS under this subpart:

(a) *Eligibility.* (1) Evidence establishing that you meet the eligibility requirements under §§ 563b.625 or 563b.630.

(2) An opinion of qualified, independent counsel or an independent, certified public accountant regarding the tax consequences of the conversion, or an IRS ruling indicating that the transaction qualifies as a tax-free reorganization.

(3) An opinion of independent counsel indicating that applicable state law authorizes the voluntary supervisory conversion, if you are a state-chartered savings association converting to state stock form.

(b) *Plan of conversion.* A plan of voluntary supervisory conversion that complies with § 563b.650.

(c) *Business plan.* A business plan that complies with § 563b.105, when required by OTS.

(d) *Financial data.* (1) Your most recent audited financial statements and Thrift Financial Report. You must explain how your current capital levels make you eligible to engage in a voluntary supervisory conversion under §§ 563b.625 or 563b.630.

(2) A description of your estimated conversion expenses.

(3) Evidence supporting the value of any non-cash asset contributions. Appraisals must be acceptable to OTS and the non-cash asset must meet all other OTS policy guidelines. *See* Thrift Activities Handbook Section 110 for guidelines at OTS's website (www.ots.treas.gov).

(4) Pro forma financial statements that reflect the effects of the transaction. You must identify your tangible, core, and risk-based capital levels and show the adjustments necessary to compute the capital levels. You must prepare your pro forma statements in conformance with OTS regulations and policy.

(e) *Proposed documents.* (1) Your proposed charter and bylaws.

(2) Your proposed stock certificate form.

(f) *Agreements.* (1) A copy of any agreements between you and proposed purchasers.

(2) A copy and description of all existing and proposed employment contracts. You must describe the term, salary, and severance provisions of the contract, the identity and background of the officer or employee to be employed, and the amount of any conversion shares to be purchased by the officer or employee or his or her affiliates or associates.

(g) *Related applications.* (1) All filings required under the securities offering rules of parts 563b and 563g of this chapter.

(2) Any required Holding Company Act application, Control Act notice, or rebuttal submission under part 574 of this chapter, including prior-conduct certifications under Regulatory Bulletin 20.

(3) A subordinated debt application, if applicable.

(4) Applications for permission to organize a stock association and for approval of a merger, if applicable, and a copy of any application for Federal Home Loan Bank membership or FDIC insurance of accounts, if applicable.

(5) A statement describing any other applications required under federal or state banking laws for all transactions related to your conversion, copies of all dispositive documents issued by regulatory authorities relating to the applications, and, if requested by OTS, copies of the applications and related documents.

(h) *Waiver request.* A description of any of the features of your application that do not conform to the requirements of this subpart, including any request for waiver of these requirements.

## OTS Review of the Voluntary Supervisory Conversion Application

### § 563b.670 Will OTS approve my voluntary supervisory conversion application?

OTS will generally approve your application to engage in a voluntary supervisory conversion unless it determines:

(a) You do not meet the eligibility requirements for a voluntary supervisory conversion under §§ 563b.625 or 563b.630 or because the proceeds from the sale of your conversion stock, less the expenses of the conversion, would be insufficient to satisfy any applicable viability requirement;

(b) The transaction is detrimental to or would cause potential injury to you or the federal deposit insurance funds or is contrary to the public interest;

(c) You or your acquiror, or the controlling parties or directors and officers of you or your acquiror, have engaged in unsafe or unsound practices in connection with the voluntary supervisory conversion; or

(d) You fail to justify an employment contract incidental to the conversion, or the employment contract will be an unsafe or unsound practice or represent a sale of control. In a voluntary supervisory conversion, OTS generally will not approve employment contracts of more than one year for your existing management.

### § 563b.675 What conditions will OTS impose on an approval?

(a) OTS will condition approval of a voluntary supervisory conversion application on all of the following.

(1) You must complete the conversion stock sale within three months after OTS approves your application. OTS may grant an extension for good cause.

(2) You must comply with all filing requirements of parts 563b and 563g of this chapter.

(3) You must submit an opinion of independent legal counsel indicating that the sale of your shares complies with all applicable state securities law requirements.

(4) You must comply with all applicable laws, rules, and regulations.

(5) You must satisfy any other requirements or conditions OTS may impose.

(b) OTS may condition approval of a voluntary supervisory conversion application on either of the following:

(1) You must satisfy any conditions and restrictions OTS imposes to prevent unsafe or unsound practices, to protect the federal deposit insurance funds and the public interest, and to prevent potential injury or detriment to you

before and after the conversion. OTS may impose these conditions and restrictions on you (before and after the conversion), your acquiror, controlling parties, or directors and officers of you or your acquiror; or

(2) You must infuse a larger amount of capital, if necessary, for safety and soundness reasons.

**Offers and Sales of Stock**

**§ 563b.680 How do I sell my shares?**

If you convert under this subpart, you must offer and sell your shares under part 563g of this chapter.

**Post-Conversion**

**§ 563b.690 Who may not acquire additional shares after the voluntary supervisory conversion?**

For three years after the completion of a voluntary supervisory conversion, neither you nor your controlling shareholder(s) may acquire shares from minority shareholders without OTS's prior approval.

## PART 574—ACQUISITION OF CONTROL OF SAVINGS ASSOCIATIONS

2. The authority citation for part 574 is revised to read as follows:

**Authority:** 12 U.S.C. 1467a, 1817, 1831i.

**§ 574.3 [Amended]**

3. Section 574.3(c)(1)(vii) is amended by removing the phrase ''563b.2(a)(39)'' and adding in lieu thereof the phrase ''563b.25''.

## PART 575—MUTUAL HOLDING COMPANIES

4. The authority citation for part 575 continues to read as follows:

**Authority:** 12 U.S.C. 1462, 1462a, 1463, 1464, 1467a, 1828, 2901.

**§ 575.2 [Amended]**

5. Section 575.2(a) is amended by removing the phrase ''12 CFR 563b.2'', and by adding in lieu thereof the phrase ''§ 563b.25 of this chapter''.

**§ 575.4 [Amended]**

6. Section 575.4(c)(2) is amended by removing the phrase ''economical home financing'', and by adding in lieu thereof the phrase ''the credit and lending needs of your proposed market area''.

7. Section 575.7 is amended by:

a. Revising the paragraph heading and adding a new first sentence to paragraph (a) introductory text;

b. Removing, in paragraph (a)(7), the phrase ''§ 563b.11 of this chapter'', and by adding in lieu thereof the phrase ''§ 563b.200(c) of this chapter'';

c. Removing, in paragraph (b)(1), the phrase ''§ 563b.7'' where it appears in the first and second sentences, and by adding in lieu of both phrases the phrase ''part 563b'';

d. Removing, in paragraph (b)(2), the phrase ''§ 563b.7(c)'', and by adding in lieu thereof the phrase ''§ 563b.330''.

e. Removing, in paragraph (d)(6)(i), the phrase ''12 CFR 563b.102'', and by adding in lieu thereof the phrase ''Form OC'';

f. Adding new paragraphs (d)(7) and (d)(8);

g. Removing, in paragraph (e), the phrase ''§§ 563b.3 through 563b.8 of this chapter'', and adding in lieu thereof the phrase ''12 CFR part 563b''.

The additions read as follows:

**§ 575.7 Issuances of stock by savings association subsidiaries of mutual holding companies.**

(a) *Requirements.* Before any stock issuance, a savings association subsidiary of a mutual holding company must submit a business plan in accordance with the provisions of §§ 563b.105 through 563b.115 of this chapter. * * *

* * * * *

(d) * * *

(7) Notwithstanding the restrictions in paragraph (d)(6)(ii) of this section, a savings association subsidiary of a mutual holding company may issue stock as part of a stock benefit plan to any insider, associate of an insider, or tax qualified or non-tax qualified employee stock benefit plan of the mutual holding company or subsidiary of the mutual holding company without including the purchase priorities of part 563b of this chapter.

(8) As part of a reorganization, a reasonable amount of shares or proceeds may be contributed to a charitable organization that complies with §§ 563b.550 to 563b.575 of this chapter, provided such contribution does not result in any taxes on excess business holdings under section 4943 of the Internal Revenue Code (26 U.S.C. 4943).

* * * * *

8. Section 575.8 is amended by:

a. Removing, in paragraph (a) introductory text, the phrase ''§ 563b.27(a)'', and by adding in lieu thereof the phrase ''§ 563b.650'';

b. Amending paragraphs (a)(3), (a)(4), (a)(5), and (a)(6) to remove the phrase ''ten'', and by adding in lieu thereof the phrase ''4.9'', and by removing the phrase ''held by persons other than the association's mutual holding company parent'';

c. Revising paragraph (a)(7);

d. Revising paragraph (a)(8);

e. Redesignating paragraphs (a)(9) through (a)(21) as paragraphs (a)(10) through (a)(22), respectively;

f. Adding a new paragraph (a)(9);

g. Amending newly designated paragraph (a)(10) by removing the phrase ''12 CFR 563b.102'', and by adding in lieu thereof the phrase ''Form OC''.

The additions and revisions read as follows:

**§ 575.8 Contents of Stock Issuance Plans.**

(a) * * *

(7)(i) Provide that the aggregate amount of common stock acquired in the proposed issuance, plus all prior issuances of the association, by all non-tax-qualified employee stock benefit plans of the association, insiders of the association, and associates of insiders of the association, exclusive of any stock acquired by such plans, insiders, and associates in the secondary market, shall not exceed the following percentages of the outstanding common stock of the association, held by persons other than the association's mutual holding company parent at the close of the proposed issuance:

| Institution size | Officer and director purchases (percent) |
|---|---|
| $50,000,000 or less | 35 |
| $50,000,001–100,000,000 | 34 |
| $100,000,001–150,000,000 | 33 |
| $150,000,001–200,000,000 | 32 |
| $200,000,001–250,000,000 | 31 |
| $250,000,001–300,000,000 | 30 |
| $300,000,001–350,000,000 | 29 |
| $350,000,001–400,000,000 | 28 |
| $400,000,001–450,000,000 | 27 |
| $450,000,001–500,000,000 | 26 |
| Over $500,000,000 | 25 |

(ii) In calculating the number of shares held by insiders and their associates under this provision or the provision in paragraph (a)(8) of this section, shares held by any tax-qualified or non-tax-qualified employee stock benefit plan of the association that are attributable to such persons shall not be counted.

(8) Provide that the aggregate amount of stock, whether common or preferred, acquired in the proposed issuance, plus all prior issuances of the association, by all non-tax-qualified employee stock benefit plans of the association, insiders of the association, and associates of insiders of the association, exclusive of any stock acquired by said plans, insiders, and associates in the secondary market, shall not exceed the following percentages of the stockholders' equity of the association, held by persons other

than the association's mutual holding company parent at the close of the proposed issuance:

| Institution size | Officer and director purchases (percent) |
|---|---|
| $50,000,000 or less | 35 |
| $50,000,001–100,000,000 | 34 |
| $100,000,001–150,000,000 | 33 |
| $150,000,001–200,000,000 | 32 |
| $200,000,001–250,000,000 | 31 |
| $250,000,001–300,000,000 | 30 |
| $300,000,001–350,000,000 | 29 |
| $350,000,001–400,000,000 | 28 |
| $400,000,001–450,000,000 | 27 |
| $450,000,001–500,000,000 | 26 |
| Over $500,000,000 | 25 |

(9) Provide that the aggregate amount of common stock acquired in the proposed issuance, plus all prior issuances of the association, by all stock benefit plans, other than employee stock ownership plans, shall not exceed more than 25 of the outstanding common stock of the association held by persons other than the association's mutual holding company parent.

* * * * *

9. Section 575.11 is amended by:

a. Removing, in paragraphs (c)(1) and (c)(2) the phrases ''§ 563b.3(g)(1)'' or ''§ 563b.3(g)(3)'' wherever they appear, and by adding in lieu thereof the phrase ''§ 563b.510'';

b. Adding, in paragraph (e), after the phrase ''stock issuance'' the phrase '', and OTS does not object to the subsequent stock issuance''; and

c. Adding new paragraph (i).

The addition reads as follows:

**§ 575.11 Operating restrictions.**

* * * * *

(i) *Separate vote for charitable organization contribution.* In a mutual holding company stock issuance, a separate vote of a majority of the outstanding shares of common stock held by stockholders other than the mutual holding company or subsidiary holding company must approve any charitable organization contribution.

10. Section 575.12 is amended by adding new paragraph (a)(3) to read as follows:

**§ 575.12 Conversion or liquidation of mutual holding companies.**

(a) * * *

(3) If a subsidiary holding company or subsidiary savings association has issued shares to an entity other than the mutual holding company, the conversion of the mutual holding company to stock form may not be consummated unless a majority of the shares issued to entities other than the mutual holding company vote in favor of the conversion. This requirement applies in addition to any otherwise required account holder or shareholder votes.

* * * * *

11. Section 575.13 is amended by removing, in paragraph (c)(2), the phrase ''§ 563b.8 of this chapter'', and by adding in lieu thereof the phrase ''§ 563b.150 of this chapter'', and by revising paragraph (a)(1) to read as follows:

**§ 575.13 Procedural requirements.**

(a) *Proxies and proxy statements*—(1) *Solicitation of proxies.* The provisions of §§ 563b.225 to 563b.295 of this chapter shall apply to all solicitations of proxies by any person in connection with any membership vote required by this part. OTS must authorize all proxy materials used in connection with such solicitations. Proxy materials must be in the form and contain the information specified in §§ 563b.255 and 563b.270 of this chapter and Form PS, to the extent such information is relevant to the action that members are being asked to approve, with such additions, deletions, and other modifications as are necessary or appropriate under the disclosure standard set forth in § 563b.280 of this chapter. File proxies and proxy statements in accordance with § 563b.155 of this chapter and address them to the Business Transactions Division, Chief Counsel's Office, Office of Thrift Supervision, at the address set forth in § 516.40 of this chapter. For purposes of this paragraph (a)(1), the term *conversion*, as it appears in the provisions of part 563b of this chapter cited above in this paragraph (a)(1), refers to *the reorganization* or *the stock issuance*, as appropriate.

* * * * *

Dated: July 26, 2002.

By the Office of Thrift Supervision.

**James E. Gilleran,**

*Director.*

**Note:** The following appendixes will not appear in the Code of Federal Regulations.

## Appendix A

**Office of Thrift Supervision**

**Form AC—Application for Conversion**

*Paperwork Reduction Act Statement*

The Office of Thrift Supervision will use this information to provide OTS with all necessary information to evaluate the application for conversion to meet all agency safety and soundness requirements. *See* 12 CFR part 563b.

Public reporting burden for this collection of information is estimated to average 299 hours if not creating a foundation and 309 hours if creating a foundation, per response, including the time for reviewing instructions and completing and reviewing the collection of information. If a valid OMB Control Number does not appear on this form, you are not required to complete this form. Send comments on these information collections to Information Collection Comments, Attention: 1550–0014, by e-mail to *infocollection.comments@ots.treas.gov;* by facsimile transmission to (202) 906–6518; or by mail to Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552. Send a copy of comments to Joseph F. Lackey, Jr., Attention: 1550–0014, by e-mail to *Joseph_F._Lackey_Jr@omb.eop.gov* or by mail to him at Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

OMB No. 1550–0014
Expiration Date: 08/31/2003

**Form AC—Application for Conversion**

[Not to be codified in the Code of Federal Regulations]

Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552

### Application for Conversion

(Name of Applicant as specified in charter) (Docket No.)

(Street Address of Applicant)

(City, State, and Zip Code)

**Index to Items**

Item 1. Form of Application
Item 2. Plan of Conversion
Item 3. Proxy Statement and Offering Circular
Item 4. Form of Proxy
Item 5. Additional Information Required for Conversion with a Charitable Contribution

Item 6. Sequence and Timing of the Plan
Item 7. Record Dates
Item 8. Expenses Incident to the Conversion
Item 9. Indemnification
Item 10. Federally Chartered Stock Savings Associations
Exhibits

**General Instructions**

*A. Use of Form AC*

You must use Form AC to seek OTS approval of a conversion from the mutual to the stock form of organization under 12 CFR part 563b. You must indicate on the cover if you are filing using Regulation S–B.

*B. Application of Rules and Regulations*

You should follow the general requirements in this section when you prepare and file this Form AC and all other forms required under 12 CFR part 563b.

(1) *Method of preparation.* In your applications, you must furnish information in item-and-answer form, and must include the captions on the form. You may omit the text of items and instructions. In a proxy statement or offering circular, you may present the required information in any order and omit the captions and text of all items and instruction. You must not present the information in a way that obscures any of the required information or other information necessary to keep the required information from being incomplete or misleading. Where an item requires you to provide information in tabular form, you must provide the information substantially in the tabular form specified in the item.

You must set out all information in the plan of conversion, proxy statement, or offering circular under appropriate headings that reasonably indicate the principal subject matter. Except for financial statements and other tabular data, you must present all information in reasonably short paragraphs or sections. You must set out financial statements, including interim financial statements, in comparative form, and must include all notes and the accountants' certificate or certificates. You must follow 12 CFR 563c.1, which governs the certification, form, and content of financial statements, including the basis of consolidation.

In a proxy statement or offering circular, you must present all information in a clearly understandable format. The reader should not have to refer to the OTS form or 12 CFR part 563b to understand the document. You must include a reasonably detailed table of contents in each proxy statement and offering circular.

In every application, you must include a cross-reference sheet showing where the responses to each item of the appropriate form are located in the proxy statement and offering circular. In the cross-reference sheet, you must state where any item is inapplicable, or where you omitted an answer because it was no.

(2) *Additional information.* In addition to the information required under 12 CFR part 563b, you must include any material information necessary to make the required statements, in the light of the circumstances under which you have made them, not misleading.

(3) *Information unknown or not reasonably available.* You must provide information to the extent you know the information or it is reasonably available to you. You may omit any required information that you do not know or is not reasonably available to you. You must explain why such information is not known or reasonably available to you. Information is not reasonably available if obtaining it would involve an unreasonable effort or expense, or if it rests peculiarly within the knowledge of another person who is not your affiliate. You must provide all information on the subject that you possess or can acquire without unreasonable effort or expense, together with the sources of the information.

(4) *Incorporation by reference.* If an item in an application calls for certain information and the proxy statement or offering circular does not require you to include it, you may incorporate the information by reference from any part of the application, including exhibits, in the answer, or partial answer, to the item. In a proxy statement or offering circular, you may not incorporate information by reference unless you attach, summarize, or outline the document containing the information. To summarize or outline a document, you must make a brief statement of the most important provisions of the document. In addition, you may incorporate by reference particular items, sections, or paragraphs of any exhibit, and your summary or outline may be qualified in its entirety by the reference. In an offering circular, you may incorporate by reference information from a proxy statement that you have delivered. You do not need to summarize or outline the information. If you incorporate material by reference you must clearly identify the material in the reference. You must expressly state that the specified matter is incorporated by reference at the particular place in the application where the information is required. You may not incorporate information by reference if the incorporation would render the statement incomplete, unclear, or confusing.

(5) *Signatures Required.* The following individuals must manually sign at least two copies of every application and every amendment to an application that you file with OTS:

(a) Your duly authorized representative.
(b) Your principal executive officer.
(c) Your principal financial officer.
(d) Your principal accounting officer.
(e) At least two-thirds of your directors.

(6) *Consents of persons about to become directors.* If you indicate in a proxy statement or offering circular that a person is about to become a director, and that person has not signed your application, you must file that person's written consent to the application with the appropriate form.

(7) *Consents of experts.* If you indicate that an accountant, attorney, investment banker, appraiser, or other professional prepared, reviewed, passed upon, or certified any part of an application, or any report or valuation used in connection with the application, you must file the written consent of that person to use their name in connection with the stated action with the application. If you quote or summarize any portion of a report of an expert in any filing under 12 CFR part 563b, you must file a written consent of the expert that expressly states that the expert consents to the quotation or summarization. All written consents must be dated and signed manually by the expert. You must file a list of consents with the application. If the expert's report contains his or her consent, you must refer to the report containing the consent in your list. You must file a new consent for any accounting amendment.

(8) *Date of filing.* Your documents are filed as of the date the last OTS office where they are filed receives them, and you paid any applicable fee.

(9) *Amendments.* You must file all amendments to any application with an appropriate facing sheet. You must number your amendments consecutively in the order in which you file them. You must comply with all regulations applicable to the original application.

**Item 1. Form of Application**

You must include the following form in your application for approval of the plan of conversion. You must set out the names and titles of the officers and directors below their signatures:

The undersigned applies for approval to convert into a stock association. We have attached a statement of the proposed plan of conversion and other information and exhibits as required by 12 CFR part 563b.

In submitting this application, we understand and agree that, if OTS requires further examinations or appraisals, OTS will conduct or approve the examination or appraisal at our expense. We will pay the costs as computed by OTS.

At least two-thirds of the board of directors approved the application. By filing this application, the undersigned officers and directors severally represent that: (1) Each person read this application; and (2) Each person adequately examined and investigated this application and concluded that this application complies with 12 CFR part 563b.

Attest:

(Duly Authorized Representative) (Principal Executive Officer)

(Principal Financial Officer) (Principal Accounting Officer)

(Director) (Director)

(Director) (Director)
(Signatures of at least two-thirds of the Board of Directors)

**Item 2. Plan of Conversion**

You must furnish the complete written plan that your board of directors adopted for the conversion to the stock form. You must prepare the plan of conversion in accordance with 12 CFR 563b.320 through 563b.485 and 563b.505. OTS will base its approval on the terms of this plan. You must distribute the approved plan as an attachment to the proxy statement.

**Item 3. Proxy Statement and Offering Circular**

You must furnish preliminary copies of the proxy statement and offering circular. You must prepare the proxy statement and offering circular in accordance with Forms PS and OC, respectively.

**Item 4. Form of Proxy**

You must furnish preliminary copies of the form of proxy that your management will distribute to your members.

**Item 5. Additional Information Required for Conversion With a Charitable Contribution**

If your conversion application includes a charitable contribution, you must include the following information in your application:

(a) Your reasons for concluding that the proposed contribution is reasonable.

(b) The impact of the proposed contribution on the appraised valuation.

(c) A description of the charitable organization.

(d) The exhibits required under Exhibit 9.

**Item 6. Sequence and Timing of the Plan**

You must describe the expected chronological order of the events for your conversion. Begin with the filing of this application and end with the sale of all the stock under the plan. Estimate the timing of any requisite approvals by state or other regulators other than OTS. Indicate the proposed timing of all aspects of the subscription offering. If a selling agent will assist in the community offering, or if an underwriter will offer shares in the public offering, indicate the proposed timing of all aspects of the community offering and public offering.

**Item 7. Record Dates**

If the eligibility record date in your plan of conversion is more than one year before your board of directors adopted the plan of conversion, you must state why you selected the earlier date.

You must indicate what circumstances may require you to use a supplemental eligibility record date.

**Item 8. Expenses Incident to the Conversion**

You must estimate the expense of your conversion in the tabular form indicated below:

| | |
|---|---|
| Legal | $_____ |
| Postage and Mailing | _____ |
| Printing | _____ |
| Escrow or Agent Fees | _____ |
| Underwriting Fees | _____ |
| Appraisal Fees | _____ |
| Transfer Agent Fees | _____ |
| Auditing and Accounting | _____ |
| Proxy Solicitation Fees | _____ |
| Advertising | _____ |
| Other Expenses | _____ |
| Total | _____ |

Instructions:

1. Expenses that you incur in the conversion must be reasonable.

2. You may exclude salaries and wages of regular employees and officers, if you state that you excluded these items. You must state solicitation costs by specially engaged employees or paid solicitors under paragraph (b) of item 3 of Form PS under ''Proxy Solicitation Fees'' in this item.

3. You may not include any category of expense exceeding $10,000 in ''Other Expenses.'' If an expense exceeds $10,000 and is not specified above, you must itemize the expense under an appropriate category.

4. If your management does not conduct the solicitation, you must provide the information under ''Proxy Solicitation Fees'' for the cost of the solicitation.

**Item 9. Indemnification**

If you will insure or indemnify any underwriter, appraiser, lawyer, accountant or expert, or director or officer against any liability which he or she may incur in his or her capacity under any charter provisions, bylaw, contract, arrangement, statute, or regulation, you must state the general effect of the charter provision, bylaw, contract, arrangement, or regulation.

**Item 10. Federally Chartered Stock Savings Associations**

You must state whether you are applying to amend your charter and bylaws to comply with 12 CFR part 552.

**Exhibits**

You must attach the following exhibits to this Form.

*Exhibit 1. Resolution of Board of Directors*

You must include a certified copy or copies of your board of directors' resolution or resolutions: (1) Adopting the plan of conversion; and (2) authorizing this application. Two-thirds of your board of directors must approve the plan of conversion and authorize this application.

*Exhibit 2. Copies of Documents, Contracts, and Agreements*

You must furnish the following documents, contracts, and agreements.

(a) Proposed certificates for shares.

(b) Proposed order forms with respect to the subscription rights.

(c) Proposed charter (including a liquidation account provision) and bylaws.

(d) Any proposed stock option plan, form of stock option agreement, and management or employee stock benefit plan.

(e) Any proposed management employment contracts.

(f) Any contract described in response to item 6 of Form PS.

(g) Contracts or agreements with paid solicitors described in response to item 3(b) of Form PS.

(h) Any material loan agreements relating to your borrowing other than from a Federal Home Loan Bank and other than subordinated debt securities approved by OTS.

(i) Any appraisal agreement or proposed agreement, underwriting contract, agreement among underwriters, or selling agent agreement.

(j) Any required undertaking or affidavits by officers or directors purchasing shares in the conversion stating that they are acting independently.

(k) Any documents referred to in the answer to item 9 of Form AC.

(l) Any trustee agreements or indentures.

(m) Any agreements for the making of markets or the listing on exchanges of your conversion stock.

(n) Proposed marketing materials.

If you furnish any document, contract, or agreement in draft form under this exhibit, you must furnish the final form immediately after the meeting of your members to consider the plan of conversion. You may provide documents required by subsection (i) above, that by their nature cannot be practically expected until a later time, in substantially final form.

*Exhibit 3. Opinion of Counsel*

You must furnish an opinion of counsel discussing each of the following matters:

(a) The legal sufficiency of your proposed certificates and order forms for any shares.

(b) State law requirements that apply to the plan of conversion. The opinion must cite to applicable state law and address whether the plan will fulfill the requirements.

(c) The legal sufficiency of your bylaws.

(d) The type and extent of each class of voting rights after conversion. The opinion must discuss any state law that requires you to provide savings account holders or borrowers with voting rights.

(e) A certification or statement that the proposed charter and bylaws conform to 12 CFR part 552 of this chapter.

(d) The legal sufficiency of your marketing materials.

You must discuss the matters listed in subdivisions (b), (c) and (d) of this Exhibit only if you are converting to a state-chartered stock association.

*Exhibit 4. Federal and State Tax Opinions or Ruling*

(a) You must furnish an opinion of your tax advisor or an Internal Revenue Service ruling

on the federal income tax consequences of the plan of conversion. The opinion or ruling must address the tax consequences to you and to the various account holders who receive nontransferable subscription rights to purchase shares.

Instruction. OTS may require you to obtain a ruling from the Internal Revenue Service if the IRS has not issued a favorable ruling on plans of conversion that are substantially similar to your plan. OTS also may require you to obtain a ruling if your plan of conversion contains novel provisions or raises questions with federal income tax consequences.

(b) You must furnish an opinion of your tax advisor or, if applicable, a ruling from the appropriate state taxing authority on any tax consequences of the plan of conversion under the laws of the state where you will be located. The opinion must address the tax consequences to you and to your eligible account holders.

*Exhibit 5. Valuation Materials*

You must furnish the materials required under 12 CFR 563b.200(b) regarding the valuation of your shares. You are not required to file the materials if you will not begin to offer shares before your members' meeting to vote on the plan of conversion.

*Exhibit 6. Notice to Members*

You must furnish evidence that you have notified your members as required by 12 CFR 563b.135 and 563b.180.

*Exhibit 7. Other Materials*

(a) If you do not provide information required by an appropriate form because you do not know the information or the information is not reasonably available, you must:

(1) Show that you will incur unreasonable effort or expense to obtain the information; or

(2) Indicate that you have no affiliation with the person who has the information, state that you have requested the person to provide the information, and indicate the result of that request.

(b) You must furnish all required consents.

(c) If anyone has signed an application or any amendment to an application using a power of attorney, you must furnish four copies of the power of attorney. Two copies must be manually signed.

(d) You must furnish the cross-reference sheet.

(e) If you request a waiver under 12 CFR 563b.5(c), you must furnish the materials required by that section.

*Exhibit 8. Business Plans*

(a) You must furnish a consolidated business plan as required by 12 CFR 563b.105. You must detail how you will use the capital that you acquire in the conversion. You should not project stock returns of capital or payment of extraordinary dividends in your business plan. OTS views a return of capital to shareholders as a material deviation from the business plan that requires the prior written approval of the Regional Director.

(b) You must follow 12 CFR 563b.160 if you wish OTS to deem any portion of your business plan confidential.

*Exhibit 9. Conversion Application That Includes a Charitable Organization*

If your conversion includes a contribution to a charitable organization, you must provide:

(a) The current and proposed charter and bylaws (or trust agreement) for the charitable organization.

(b) The proposed gift instrument.

(c) Within six months of completing your conversion, a three-year operating plan for the charitable organization, including the following:

(1) Pro-forma financial statements, including a balance sheet and income statement.

(2) Plans and expenses for any office space, employees, office equipment, supplies, and other items.

(3) A description and the estimated annual value of any contributed office space, personnel, furniture, equipment, and supplies and the name of the organization that will make the contribution.

(4) Any director, officer, and employee requirements and job descriptions.

(5) The terms of employment and any expected compensation for the directors (or trustees), officers, and employees.

(6) The charitable causes that the charitable organization will support, including their location and a description of how the activities will aid the local community.

(7) Plans, policies, and procedures for soliciting and accepting grant applications.

(8) Decision standards for grant approval.

(9) The anticipated number and dollar amount of grants the charitable organization will make each year for the three years after it is established.

(10) Projected sources of revenues, including whether the operations and grant activities will be funded by dividends, stock sales, or additional contributions.

(11) An explanation of how the charitable organization will select directors (or trustees) and how much experience the directors (or trustees) will have with local community charitable organizations and grant making.

(d) A conflicts of interest policy for the charitable organization that prohibits grants to your officers, directors, and employees, your affiliates' officers, directors, and employees, and members of their immediate families.

(e) A tax opinion from an independent accountant or independent tax counsel discussing whether the proposed contribution and any other contributions during the same year are deductible under federal and state law. The tax opinion must address deductibility for the year that you will make the contribution and for a five-year carry forward period.

OTS Form 1680
August 2002

## Appendix B

**Office of Thrift Supervision**

**Form PS—Proxy Statement**

*Paperwork Reduction Act Statement*

The Office of Thrift Supervision will use this information to provide mutual members with information necessary for voting on the transaction. *See* 12 CFR part 563b.

Public reporting burden for this collection of information is estimated to average 50 hours, per response, including the time for reviewing instructions and completing and reviewing the collection of information. If a valid OMB Control Number does not appear on this form, you are not required to complete this form. Send comments on these information collections to Information Collection Comments, Attention: 1550–0014, by e-mail to *infocollection.comments@ots.treas.gov*; by facsimile transmission to (202) 906–6518; or by mail to Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552. Send a copy of comments to Joseph F. Lackey, Jr., Attention: 1550–0014, by e-mail to *Joseph_F._Lackey_Jr@omb.eop.gov* or by mail to him at Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

OMB No. 1550–0014
Expiration Date: 08/31/2003

**Form PS—Proxy Statement**

[Not to be codified in the Code of Federal Regulations]

Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552

**Proxy Statement**

(Name of Applicant as specified in charter) (Docket No.)

(Street Address of Applicant)

(City, State, and Zip Code)

**Index to Items**

Item 1. Notice of meeting
Item 2. Revocability of proxy
Item 3. Persons making the solicitation
Item 4. Voting rights and vote required for approval

Item 5. Directors and executive officers
Item 6. Management compensation
Item 7. Business
Item 8. Description of the plan of conversion
Item 9. Description of stock
Item 10. Capitalization
Item 11. Use of new capital
Item 12. New charter, bylaws, or other documents
Item 13. Other matters
Item 14. Financial statements
Item 15. Consents of experts and reports
Item 16. Attachments

**General Information**

If OTS requests information on your directors, officers, or other persons holding specified positions or relationships during a specified period, you must give the information for every person who held the positions or relationships any time during the period. You do not have to include information for any portion of the period when a person did not hold any position or relationship. You must state, however, that you did not include this information.

**Item 1. Notice of Meeting**

You must include the following information on the cover page of your proxy statement:

(a) Notice of the members' meeting to vote on the conversion;

(b) The meeting date, time, and place;

(c) A brief description of each matter that will be voted at the meeting;

(d) The date of record for determining which members are entitled to vote at the meeting;

(e) The date of the proxy statement; and

(f) Your mailing address, zip code, and telephone number.

**Item 2. Revocability of Proxy**

(a) You must state that a member may revoke his or her proxy before it is exercised.

(b) You must briefly describe the procedures a member must follow to revoke his or her proxy.

(c) You must describe any charter provision, bylaw, or federal or state law that limits voting by proxy.

(d) You must state that the proxy is solicited for the meeting and any adjournment of the meeting, and that you will not vote the proxy at any other meeting.

**Item 3. Persons Making the Solicitation**

(a) You must state whether your management is soliciting the proxy. If any director informs you in writing that he or she intends to oppose any action, you must name the director and indicate the action he or she intends to oppose.

(b) You must describe the method that you will use to solicit proxies, unless you solicit by mail. If specially engaged employees or paid solicitors will solicit proxies, you must state the material features of any contract or arrangement and must identify the parties.

(c) If your management is not soliciting the proxies, you must name the persons on whose behalf the solicitation is made. You do not have to respond to items 5 through 16 for such solicitations, but must comply with 12 CFR 563b.285 on false and misleading statements and other prohibited matters.

**Item 4. Voting Rights and Vote Required for Approval**

(a) You must describe briefly:

(1) The voting rights of each class of your members;

(2) The approximate total number of votes entitled to be cast at the meeting;

(3) The approximate number of votes to which each class is entitled; and

(4) The voting rights of beneficiaries of accounts held in a fiduciary capacity, such as IRA accounts.

(b) You must give the record date for members entitled to vote at the meeting.

(c) You must state the vote required for approval of each matter that you will submit to a vote of members.

(d) You may not use previously executed proxies to vote on the conversion.

**Item 5. Directors and Executive Officers**

(a) You must furnish the information on directors and executive officers and certain relationships and related transactions required in items 401 and 404 of Regulation S–K, 17 CFR 229.401 and 229.404, and item 6 of Regulation 14A, 17 CFR 240.14a–101. Unless the context otherwise requires, the words ''registrant'' and ''issuer'' in those regulations refer to you and the word ''Commission'' refers to OTS.

(b) If your conversion application includes a charitable contribution, you must disclose:

(1) The proposed number of directors (or trustees) and officers of the charitable organization.

(2) The name and background of each person proposed as a director (or trustee) or officer of the charitable organization.

(3) The position, if any, that each proposed director (or trustee) and officer holds with you.

(c) You must state whether anyone will exercise control through the use of proxies and describe the nature of the control.

**Item 6. Management Compensation**

You must furnish the information on executive compensation required in item 402 of Regulation S–K, 17 CFR 229.402, and item 7 of Regulation 14A, 17 CFR 240.14a–101. Unless the context otherwise requires, the words ''registrant'' and ''issuer'' in those regulations refer to you and the word ''Commission'' refers to OTS.

**Item 7. Business**

(a) *Narrative description of business.* (1) You must discuss briefly your organizational history, including the year of organization, the identity of the chartering authority, and any material charter conversions.

(2) You must describe the business that you and your subsidiaries conduct and intend to conduct. You must describe how your business and any predecessor(s) business developed over the past five years. If you have been engaged in business less than five years, you must provide information from when you began operations. You must disclose this information for earlier periods if the information is material to understand how your business developed. You must discuss material changes in the way you conduct business.

Instruction. If you are filing under Regulation S–B, you must include audited comparative balance sheets for the two most recent fiscal years.

(3) You must describe your historical lending practices, including the average remaining term to maturity of your portfolio of mortgage loans. You must state your plans for lending. You must address whether you will offer real estate or other types of loans, the nature of security you will receive, the terms of loans you will offer, whether the loans will carry fixed or variable interest rates, and whether you will retain the loans or resell them in secondary mortgage markets. You must identify the magnitude of various activities.

(4) You must explain whether any material acquisitions have had or will have significant impact on you, and the nature of the impact.

(b) *Selected financial data.* You must furnish a summary of your selected financial data. You must provide this information in columns that permit the comparison of data in each of the last five fiscal years. You must provide data for any additional fiscal years, if the data is necessary to keep the summary from being misleading.

Instructions:

1. The purpose of this summary is to supply selected data highlighting significant trends in your financial condition and results of operations in a convenient and readable format.

2. You must include the following items in the summary total interest income; total interest expense; income (loss) from continuing operations; net income; total loans; total investments; total assets; total deposits; total borrowings; total retained earnings; total shareholders' equity; total regulatory capital; and total number of customer service facilities, indicating the number which provide full service. You may vary this data if the variance is appropriate to conform to the nature of your business. You may include additional items if you believe the items would enhance understanding and highlight trends in your financial condition and results of operations. You must briefly describe factors that materially affect the comparability of the financial data, such as accounting changes, business combinations, or dispositions of business operations. You may describe such factors by a cross reference to other discussions in the proxy statement. You must also discuss any material uncertainties that may cause the data not to be indicative of your future financial condition or results of operations.

3. If you elect to provide five-year summary information in accordance with the Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 89 (''SFAS 89'') ''Financial Reporting and Changing Prices,'' you may combine this information with the selected financial data required in this item.

4. If you include interim-period financial statements, or you are required to include interim-period financial statements under item 14, you must update the selected financial data for the interim period to reflect any material change in the trends indicated. If updating information is necessary, you

must provide the information on a comparative basis, unless the comparison is not necessary to understand the updating information. You must provide a management statement of presentation for the required interim-period financial data reported.

5. ''You'' in the summary and in these instructions refers to you and your consolidated subsidiaries.

(c) *Management's discussion and analysis of financial condition and results of operations.* (1) You must discuss your financial condition, changes in financial condition, and results of operations. You must discuss the information in paragraphs (i), (ii), and (iii) of this paragraph (c) with respect to liquidity, capital resources, and results of operations. You must also provide all other information necessary to understand your financial condition, changes in your financial condition, and results of your operations. You must discuss significant business combinations. You may combine the discussion of liquidity and capital resources, if the two topics are interrelated. If a discussion of the subdivisions of your business is appropriate to understand your business, you must focus your discussion on each relevant, reportable segment or other subdivision of the business, and on your business as a whole.

(i) *Liquidity.* You must identify any known trends or any known demands, commitments, events, or uncertainties that are reasonably likely to cause your liquidity to materially increase or decrease. If you identify a material deficiency, indicate what you have done or will do to remedy the deficiency. You must identify and separately describe internal and external sources of liquidity, and briefly discuss any material unused sources of liquid assets. You must comment on maturity imbalances between assets and liabilities, and planned activities in the secondary mortgage market.

(ii) *Committed resources.* You must describe your material commitments for funding loans or other expenditures as of the end of the latest fiscal period. You must indicate the general purpose of the commitments and the anticipated source of funds to fulfill the commitments. You must describe known material trends, favorable or unfavorable, in your committed resources. You must indicate any expected material changes in the mix and the relative cost of the resources. You must discuss changes between deposits, equity, debt, and any off-balance-sheet financing arrangements.

(iii) *Results of operations.* (A) You must describe any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations. In each case, you must indicate the extent to which these events, transactions, or changes affected income. In addition, you must describe any other significant components of revenues or expenses necessary to understand your results of operations.

(B) You must describe any known trends or uncertainties that have had, or will have, a materially favorable or unfavorable impact on net sales or revenues or income from your continuing operations. If you know of events which will cause a material change in the relationship between costs and revenues, you must disclose the change in the relationship.

(C) If your financial statements disclose material increases in interest expense, you must discuss the extent to which the increases are attributable to increases in rates or to increases in volume.

(D) For your three most recent fiscal years, or for those fiscal years in which you have been engaged in business, whichever period is shorter, you must discuss the impact of inflation and changing prices on your revenues and on income from continuing operations.

(E) For the most recent financial statement, you must discuss any unusual risk characteristics in your assets, including real estate development, significant amounts of commercial real estate held as loan collateral, and significant increases in amounts of nonaccrual, past due, restructured, and potential problem loans (*see* Securities and Exchange Commission's Securities Act Industry Guide 3, section III C).

(iv) You must provide a qualitative and quantitative discussion of your market risk analysis.

Instructions:

1. Your discussion and analysis must address your financial statements and other statistical data that will enhance a reader's understanding of your financial condition, changes in your financial condition, and results of your operations. Generally, you must discuss the three-year period covered by the financial statements and use year-to-year comparisons or other formats to enhance a reader's understanding. However, where trend information is relevant, you should refer to the five-year selected financial data appearing in item 7(b) above.

2. Your discussion and analysis should provide investors and other users with relevant information to assess your financial condition and results of operations, based on the user's evaluation of the amounts and certainty of cash flows from operations and from outside sources. You must only provide information that you may obtain without undue effort or expense, and that does not clearly appear in your financial statements.

3. Your discussion and analysis must specifically focus on material events and uncertainties known to you which would cause reported financial information not to be indicative of future operating results or of future financial condition. You should describe (a) matters that would affect future operations, but have not affected reported operations, and (b) matters that have affected reported operations, but would not affect future operations.

4. If the consolidated financial statements reveal material changes from year to year in one or more line items, you must state the causes for the changes if the causes are necessary to understand your business as a whole. If the causes for a change in one line item also relate to other line items, you do not have to repeat the explanation. You do not have to provide a line-by-line analysis of the financial statements as a whole. You do not have to recite the amounts of changes from year to year, if the reader may readily compute these changes from the financial statements. You must not merely repeat numerical data contained in the consolidated financial statements.

5. ''Liquidity,'' as used in paragraph (c)(1)(i) of this item 7, refers to your ability to generate adequate amounts of cash to meet your cash needs. You must identify the balance sheet conditions or income or cash flow items that indicate your liquidity condition. You must discuss liquidity in the context of your own business or businesses. Liquidity means more than ''liquid assets,'' as defined in OTS liquidity regulations at 12 CFR part 566.

6. OTS encourages you, but does not require you, to supply forward-looking information. You must disclose known data that will have an impact upon future operating results, such as known future increases in rates or other costs. If you provide any forward-looking information, you may have a safe-harbor from liability for the projections under 12 CFR 563d.3b–6.

7. If you disclose narrative explanations of supplementary information in accordance with SFAS 89, you may combine these explanations with your discussion and analysis required under this provision or you may supply the information separately. If you combine the information, you must place it reasonably near the discussion and analysis. If you do not combine the information, you may omit the required discussion of the impact of inflation and cross reference the explanations provided under SFAS 89.

8. If you do not disclose explanations of supplementary information in accordance with SFAS 89, you may discuss the effects of inflation and changes in prices in an appropriate manner. OTS encourages you to voluntarily comply with SFAS 89. However, you must include a brief textual presentation of management's views. You do not have to present specific numerical financial data.

9. ''You'' in the discussion and in these instructions means you and your consolidated subsidiaries.

(2) If you include interim-period financial statements, you must provide management's discussion and analysis of the financial condition and results of operations. This discussion and analysis must enable the reader to assess material changes in your financial condition and results of operations between the periods specified in subdivisions (i) and (ii) of this paragraph (2). Your discussion and analysis must address material changes in the items specifically listed in paragraph (c)(1) of this item 7. However, you do not have to address the impact of inflation and changing prices on operations for interim periods.

(i) *Material changes in financial condition.* You must discuss any material changes in financial condition from the end of the preceding fiscal year to the date of the most recent interim balance sheet that you provide. If you provide an interim balance sheet as of the corresponding interim date of the preceding fiscal year, you must discuss any material change in financial condition from that date to the date of the most recent interim balance sheet that you provide. You may combine any discussion of changes from the end, and the corresponding interim date, of the preceding fiscal year.

(ii) *Material changes in results of operations.* You must discuss any material changes in your results of operations from the most recent fiscal year-to-date period for which you provide an income statement to the corresponding year-to-date period of the preceding fiscal year. If you provide an income statement for the most recent fiscal year quarter, you must discuss material changes with respect to that fiscal quarter and the corresponding fiscal quarter in the preceding fiscal year. In addition, if you provide an income statement for the 12-month period ended as of the date of the most recent interim balance sheet you provide, you must discuss material changes with respect to that 12-month period and the 12-month period ended as of the corresponding interim balance sheet date of the preceding fiscal year.

Instructions:

1. If you present interim financial statements and financial statements for full fiscal years, you must discuss the interim financial information under paragraph (c)(2) and the full fiscal year information under paragraph (c)(1) of this item 7. You may combine the discussions.

2. In your discussion and analysis required by paragraph (c)(2), you must focus on material changes. If your interim financial statements reveal material change from period to period in one or more significant line items, you must describe the causes for the changes, unless you have already disclosed these causes. You do not have to repeat the description if the causes for a change in one line item relate to other line items. You do not have to recite the amounts of changes from period to period, if a reader may readily compute the amounts from the financial statements. You must not merely repeat numerical data from the financial statements. You must only provide information that you may obtain without undue effort or expense, and that does not clearly appear in your interim financial statements.

3. In your discussion of material changes in results of operations, you must identify significant elements of your income or loss from continuing operations that do not arise from or are not necessarily representative of your ongoing business.

4. You are encouraged, but not required, to supply forward-looking information. You must disclose known data that will have an impact upon future operating results, such as known future increases in rates or other costs. If you provide any forward-looking information, you may have a safe-harbor from liability for the projections under 12 CFR 563d.3b–6.

(d) *Lending activities.* (1) You must briefly describe federal and state restrictions on your lending activities and laws affecting mortgage lending or other lending. You must also briefly describe your general policy on loan-to-value ratios; your customary methods of obtaining loan originations (*e.g.,* the use of loan consultants or brokers); your general policy on approval of properties as security for loans; your use of a loan committee, if any; and your title, fire, and casualty insurance requirements on security properties. You must indicate your future plans for secondary mortgage market activities, such as transactions with Freddie Mac or other secondary mortgage agency. You must identify significant loan service fee income as a percentage of net interest income for the years required by item 14(b).

(2) You must describe briefly (i) the areas where you normally lend; and (ii) any areas where you have a material concentration of loans. You may include maps illustrating these areas. You must estimate the housing vacancy rates in areas where you have a concentration of loans, if practicable.

(3) You must describe briefly your long-term investments in mortgage loans, and the effect of these investments on your earnings spread. You must provide the normal maturity of loans that you made on the security of single-family dwellings and estimate the average length of time these loans are outstanding.

(4) For each of the periods required by item 14(b), you must provide the following information in tabular form. You may exclude fees that are not adjustments of yield.

(i) Average yield during the period on: (A) Your loan portfolio, (B) your investment portfolio, (C) other interest-earning assets, and (D) all interest-earning assets. You must compute average yield at least monthly.

(ii) Average rate paid during the period on: (A) Deposits, (B) borrowings and Federal Home Loan Bank advances, (C) other interest-bearing liabilities, and (D) all interest-bearing liabilities ((A), (B), and (C)). You must compute average rate paid at least monthly.

(iii) Weighted-average yield at the end of the latest required period, for items (i) and (ii) of paragraph (4).

(iv) The net yield on average interest-earning assets (*i.e.,* net interest earnings divided by average interest-earning assets. Net interest earnings is the difference between the amount of interest earned and interest paid). You must determine average interest-earning assets no more frequently than monthly.

(v) For each of the periods required by item 14(b), you must provide in tabular form: (A) The amount of change in interest income, and (B) the amount of change in interest expense. For each major category of interest-earning asset and interest-bearing liability (as stated in items (i) and (ii) of paragraph (4)), you must attribute the amount of change to: (1) Changes in volume (change in volume multiplied by old rate), (2) changes in rates (change in rate multiplied by old volume), and (3) changes in rate-volume (change in rate multiplied by the change in volume). You must allocate the rate/volume variances consistently between rate and volume variance and disclose the basis of allocation in a note to the table.

(5) For each of the periods required by item 14(b), you must present the following:

(i) Return on assets (net income divided by average total assets).

(ii) Return on equity (net income divided by average equity).

(iii) Equity-to-assets ratio (average equity divided by average total assets).

Instruction. You must supply any additional ratios if the ratios are necessary to explain your operations.

(6) As of the end of the latest reported fiscal year, you must present separately the amounts of loans in each category required by balance sheet item 7(b), 12 CFR 563c.102, which are due:

(i) In each of the three years following the balance sheet,

(ii) After three through five years,

(iii) After five through ten years,

(iv) After ten through fifteen years, and

(v) After fifteen years.

In addition, you must present separately the total amount of all loans due after one year which have predetermined interest rates, and floating or adjustable interest rates.

Instructions.

1. You must report scheduled principal repayments in the maturity category in which the payment is due.

2. You must report demand loans, loans having no stated schedule of repayments and no stated maturity, and overdrafts as due in one year or less.

3. You must base your maturities on contract terms. If terms vary due to your ''rollover policy,'' you must revise the maturity and briefly discuss the rollover policy.

(7) You must describe briefly the risk elements in your loan and investment portfolios, and your procedures for delinquent loans. As of the end of each of the periods covered by the statements of operation required by item 14(b)(1) and as of the date of the latest statement of financial condition required by item 14(a), you must set forth in tables the amounts and categories of nonaccrual, past due, restructured, and potential problem loans (*see* Securities and Exchange Commission's Securities Act Industry Guide 3, section III. C.) and the ratio of such loans to total assets. If the amount of real estate that has been in substance foreclosed, or acquired by foreclosure or by deed in lieu of foreclosure is significant, you must briefly describe the major properties. You must also estimate your probable losses, if any, on disposition of the properties.

(e) *Savings activities.* (1) You must state that, if you liquidate after conversion, you will fully pay savings account holders before you pay shareholders. You also must indicate the percentage of total savings accounts that are from out-of-state sources, if the total is significant.

(2) You must set forth in a table the amounts of time deposit accounts categorized by interest rates on the dates of each balance sheet that you filed. You must use interest-rate categories that are not more than 200 basis points wide. As of the date of the latest balance sheet, you must set forth, in a table for each interest-rate category, the amounts of savings that will mature during each of the three years following the balance sheet date, and the total amount that will mature after three years.

Instruction. This information is not required for S–B filers.

(3) You must disclose the weighted-average rate and general terms (as well as formal provisions for the extension of the maturity) of each category of short-term borrowings required by Balance Sheet Caption 14, 12 CFR 563c.102. You must also disclose the maximum amount of borrowings in each

category that are outstanding at any month-end during each period for which an end-of-period balance sheet is required. You must disclose the approximate average short-term borrowings outstanding during the period and the approximate weighted-average interest rate for such aggregate short-term borrowings. You must briefly describe how you computed these averages. You do not have to disclose borrowings in each category if the aggregate amount of the borrowings at the balance sheet date does not exceed one percent of assets at that date. However, if the weighted average of your borrowings outstanding during the year exceeds one percent of assets at year-end and significantly exceeds the amount of your borrowings at year-end, you must furnish this disclosure. You are not required to provide this information for any category of short-term borrowings if the average balance outstanding during the period was less than 30 percent of shareholders equity at the end of the period.

(f) *Federal regulation.* You must describe briefly, to the extent not otherwise covered by other items, how federal agencies regulate you and your operations. In particular, you must describe briefly how the Federal Deposit Insurance Corporation (FDIC) insures your accounts and how FDIC and OTS regulate your operations. You must describe federal regulatory capital requirements, what will happen to you if you fail to meet those capital requirements, and whether your regulatory capital position complies with those requirements. You must also describe how the FDIC and OTS charge assessments on your operations. In addition, you must describe briefly the liquidity requirements under section 6 of the Home Owners' Loan Act and OTS liquidity regulations, and state law. You must state whether you meet those liquidity requirements.

(g) *Federal Home Loan Bank System.* You must describe briefly the Federal Home Loan Bank (FHLB) System and state whether you are a member. If you are a member, you must describe the following:

(1) Limitations on your borrowings,

(2) Recent loan policies of your FHLB and the current interest rates your FHLB charges, and

(3) FHLB share purchase requirements and the amount of FHLB stock you own.

(h) *State savings association law.* If you are converting to a state-chartered stock association, you must describe state law provisions that materially affect your business.

(i) *Federal and state taxation.* (1) You must describe briefly applicable federal income tax laws, including:

(i) Permissible bad debt reserves;

(ii) Your position with respect to the maximum bad debt reserve limitations as of the date of the latest statement of financial condition required under item 14(a);

(iii) Future increases in your effective income tax rate;

(iv) The date through which the Internal Revenue Service audited your federal income tax returns; and

(v) How the payment of cash dividends on your capital stock after conversion will effect your federal income taxes.

(2) You must briefly describe applicable state tax laws.

(j) *Competition.* You must describe the material sources of competition for savings associations generally. You must indicate, to the extent practicable, your position in your principal lending and savings markets.

(k) *Office and other material properties.* (1) You must furnish the location of your home office, branch offices, and other office facilities (such as mobile or satellite offices). You must state the total net book value of all offices as of the date of the latest statement of financial condition required by item 14(a). You must state the expiration date of the lease on every leased office.

(2) You must describe briefly any undeveloped land that you own, including its location, net book value, prospective use, and holding period.

(l) *Employees.* You must state the number of full-time employees, including executive officers listed under item 5. You must state whether employees are represented by a collective bargaining group, and whether you have satisfactory relations with your employees. You must summarize briefly any loan, profit sharing, retirement, medical, hospitalization, or other compensation plans that you provide to your employees, unless you have already included this information under item 6.

(m) *Subsidiaries.* You must describe briefly your investment in each subsidiary, and the major lines of the subsidiary's business (including any joint ventures) that are material to your operations.

(n) *Legal proceedings.* You must furnish the information on legal proceedings required by item 103 of Regulation S–K, 17 CFR 229.103. Unless the context otherwise requires, ''registrant'' in that regulation means you.

(o) *Additional information.* You may request permission to omit any information required by this item, or to substitute appropriate information of comparable character. OTS may permit you to omit or substitute information where it is consistent with the protection of account holders. OTS may also require you to furnish other additional or substitute information if the information is necessary or appropriate to adequately describe past and future business.

**Item 8. Description of the Plan of Conversion**

(a) You must include the following statement in the proxy statement. You must place this statement before the information required by this item 8. ''OTS has approved the plan of conversion, subject to member approval of the plan and certain other conditions. OTS approval does not mean that OTS recommends or endorses the plan.''

(b) You must describe your plan of conversion. You must describe the information required by paragraphs (c) through (j) of this item. You must include any additional information necessary to accurately describe the material provisions of the plan.

(c) You must briefly describe the effects of conversion from a mutual to a stock association, including all of the following:

(1) That your savings account holders will continue to hold FDIC-insured accounts in the converted savings association, with the same dollar amount, rates of return, and general terms as existing accounts;

(2) That your savings and borrowing members will not have voting rights after conversion. In the mutual holding company context, however, you must describe what voting rights, if any, your savings and borrowing members will have after reorganization;

(3) That the account holders have liquidation rights. You must describe the liquidation account you will establish and maintain, including when you will pay the account, the interest of eligible account holders and supplemental eligible account holders in the account, and the formula that you will use to adjust the account;

(4) That the conversion will not effect borrowers' loans, including the amount, rate, maturity, security, or other contractual terms;

(5) That the FDIC will not insure your stock;

(6) That you will not distribute any assets other than to pay conversion expenses or to make a charitable contribution; and

(7) The reasons management recommends the conversion, including any advantages to the community that you serve.

(d) You must furnish the following information regarding the subscription rights of members:

(1) The formula that you will use to determine the subscription rights of account holders to purchase shares under 12 CFR 563b.320 through 563b.395;

(2) The purchase priorities, total purchase limitations, total number of shares that members may purchase, and the allocation formula in the plan of conversion;

(3) The allocation formulas that you will use if shares are oversubscribed during the sale under the plan of conversion; and

(4) The use and timing of the order forms for the exercise of subscription rights.

(e)(1) You must estimate the price range per share of the shares you will sell in the public offering under your plan of conversion. You do not have to estimate the price range if you will not begin the offering until after your members' meeting;

(2) You must indicate that the offering price will be the pro forma market value of the shares, as determined by your management and the underwriter; and

(3) You must state that you must sell all of the shares.

(f) Unless you will not begin the offering until after your members' meeting, you must discuss the following for stock you will sell:

(1) the earnings per share on a pro forma basis as of the most recent year-end and interim period required by item 14(b); and

(2) the book value per share on a pro forma basis as of the most recent year-end and interim period required by item 14(a).

Instructions:

1. You must provide earnings and book value per share data (a) without giving effect to the estimated net proceeds from the sale of the stock and (b) after giving effect to such proceeds. You must clearly state all of your assumptions.

2. In computing pro forma earnings, you must use the average of (i) the average yield on all interest-earning assets (item

7(d)(4)(i)(D)) and (ii) the average rate paid on deposits (item 7(d)(4)(ii)(A)).

3. If interest rates have significantly changed during the applicable periods, OTS may permit you to use properly supported alternative computations.

4. You must explain that pro forma data may not be indicative of your actual financial position or the results of continuing operations after the conversion.

(g) You must state when the proposed subscription period will begin and end, and must describe whether the plan of conversion permits you to change or extend these dates. You must also state the following:

(1) You will set a maximum subscription price in the offering circular that you will use for the offering of subscription rights;

(2) The actual subscription price will be the public offering price;

(3) The actual subscription price will not exceed the maximum subscription price on the order form; and

(4) You will refund any difference between the maximum and actual subscription prices, unless the subscriber affirmatively elects to apply the difference to the purchase of additional shares.

(h) You must also:

(1) Describe, to the extent practicable, whether you intend to list your shares on an exchange, or how you will otherwise provide a market for the purchase and sale of shares in the future;

(2) Describe briefly the tax effect of the conversion on you and on the various classes of account holders receiving nontransferable subscription rights in the conversion;

(3) State that the plan of conversion is attached as an exhibit to the proxy statement and that the reader may consult the plan for further information.

(i) You must state whether the plan of conversion permits you to offer unsubscribed shares to the public directly or through underwriters. If so, you must provide the information, to the extent known, required by item 6 of Form OC, and indicate the estimated timing of the proposed offering.

(j) You must furnish the following information on proposed purchases of shares by your directors and officers in a table:

(1) The total proposed number of shares that all officers, directors, and their associates as a group may purchase.

(2) The name and position of each officer and director in item 5(a) and the number of shares each will purchase.

(3) If any officer, director, or his or her associate proposes to purchase one percent or more of the total number of shares that will be outstanding, the name, position, and the number of shares that the officer, director, or associate will purchase.

(4) Indicate separately the number of shares that will be purchased in each offering category with respect to the information required by items (1), (2), and (3) of paragraph (j).

(5) If your conversion application includes a charitable contribution, you must disclose the following additional information:

(i) The amount and percentage of shares that each proposed director (or trustee) and officer of the charitable organization will purchase in the conversion.

(ii) The aggregate number and percentage of shares that the charitable organization and its proposed officers and directors (or trustees) will hold.

(iii) The number of shares and value of the contribution at the minimum, midpoint, maximum, and maximum as adjusted, of the valuation range.

(iv) The decrease in shares that you will sell in the conversion, in number of shares and dollar amounts, at the minimum, midpoint, maximum, and maximum as adjusted, of the valuation range.

(v) The dilution in ownership and book value per share from the proposed contribution.

(vi) Your plans for additional charitable contributions over the next three years.

Instruction. You are only required to furnish information on associates of officers and directors to the extent that you know this information. If you are unable to confirm the number of shares an associate will purchase, you must disclose the number of shares the associate is given subscription rights to purchase.

**Item 9. Description of Stock**

(a) You must furnish the information required in item 202 of Regulation S–K, 17 CFR 229.202. Unless the context otherwise requires, ''registrant'' refers to you.

(b) You must undertake to use your best efforts to encourage and assist a professional market maker to establish and maintain a market for your shares.

(c) You must discuss the trading market that you expect will exist for your shares. You must estimate the number of market makers and shareholders, and describe your plans for listing the stock.

Instruction. You must describe the basic requirements you must meet to list your stock.

(d) If the rights of your stockholders will be materially limited or qualified by the rights of savings account holders or borrowers, you must describe these limitations or qualifications so that investors can understand their stock rights.

**Item 10. Capitalization**

You must set forth the amounts of your capitalization in substantially the tabular form indicated below. You may modify the captions as appropriate.

| | (A) Capitalization on most recent balance sheet date | (B) Pro forma adjustments as a result of conversion | (C) Pro forma capitalization, after giving effect to the conversion |
|---|---|---|---|
| Deposits | | | |
| FHLB advances | | | |
| Other | | | |
| Borrowings | | | |
| Capital stock | | | |
| Preferred stock | | | |
| Paid-in capital | | | |
| Retained earnings | | | |
| Restricted | | | |
| Unrestricted | | | |
| Total | | | |

Instructions:

1. You must indicate in the table, or in a footnote to the table, the total number of shares you will authorize, the par or stated value of the shares, and the number of shares you will sell in the conversion.

2. You must estimate in the table the total amount of funds you will receive when you sell your stock. In a footnote, you must state the price per share that you used for the estimate. You must clearly indicate that the total amount and price per share are estimates.

3. In Column A, you must use the most recent balance sheet date required by item 14.

**Item 11. Use of New Capital**

You must explain how you will use the new proceeds of the conversion, including the approximate amount that you will use for each purpose.

Instruction. You do not have to detail proposed investments. You must, for example, only briefly describe any investment or other activity that will be affected materially by availability of the proceeds. Examples of such activities include: expanded secondary market activities, larger scale lending projects, loan portfolio diversification, increased liquidity investments, repayment of debt, additional branch offices and other facilities, service corporation investments, and acquisitions.

**Item 12. New Charter, Bylaws, or Other Documents**

You must describe the material changes to your existing charter, bylaws, and other similar documents that will take effect after conversion.

Instruction. You only have to briefly summarize provisions that are pertinent from an investment and a voting standpoint. You do not have to provide a complete legal description of each provision.

**Item 13. Other Matters**

You must state that you will register your stock under section 12(g) of the Securities Exchange Act of 1934, and that you will not deregister the stock for three years after the date of conversion. You are subject to the proxy rules, insider trading reporting and restrictions, annual and periodic reporting, and other requirements of that Act when you register your stock.

**Item 14. Financial Statements**

Subpart A of 12 CFR part 563c governs the certification, form, and content of the financial statements, including the basis of consolidation.

(a) *Consolidated balance sheets.* (1) You and your subsidiaries must furnish consolidated, audited balance sheets as of the end of each of the two most recent fiscal years, even if the applicant is filing using the provisions of Regulation S–B.

(2) If the latest balance sheets you furnish under paragraph (1) of this paragraph (a) are dated 135 days or more before the date OTS approves the conversion, you must furnish an interim balance sheet dated within 135 days of OTS approval. This interim balance sheet may be unaudited.

(3) If the latest balance sheets you furnish under paragraph (1) of this paragraph (a) are dated 105 days or more before the date OTS approves the conversion, you must furnish a Recent Development section of selected financial data and a Management's Discussion and Analysis section of significant variances.

(b) *Consolidated statements of income and cash flows.* (1) You, your subsidiaries, and your predecessors must furnish consolidated, audited statements of income and cash flows for each of the three fiscal years preceding the date of the most recent balance sheet furnished.

(2) In addition, you must furnish statements of income and cash flows (i) for any interim period between the latest audited balance sheet and the date of the most recent interim balance sheet that you file, and (ii) for the corresponding period of the preceding fiscal year. The interim financial statements may be unaudited.

(c) *Changes in stockholders' equity.* You must analyze the changes in each caption of stockholders' equity in the balance sheets. You must present this analysis in a note or separate statement that reconciles the beginning balance with the ending balance for each period for which you are required to furnish an income statement. You must describe all significant reconciling items with appropriate captions. You must reconcile total generally accepted accounting principles (GAAP) capital with actual tangible, core, and risk-based capital in the notes to the financial statements.

(d) *Financial statements of business acquired or to be acquired.* You must furnish the information required by 17 CFR 210.3–05 and 210.11–01 to –03 for any business that you have acquired or will acquire.

(e) *Separate financial statements of subsidiaries not consolidated and 50-percent- or less-owned persons.* You must furnish the information required by 17 CFR 210.3–09 on separate financial statements of subsidiaries not consolidated and 50-percent- or less- owned persons.

(f) *Filing of other statements in certain cases.* You may request permission to omit any of the statements required by this item, or to substitute appropriate statements of comparable character. OTS may permit you to omit or substitute statements where it is consistent with the protection of account holders. OTS may also require you to include other additional or substitute statements, if the statements are necessary or appropriate to adequately present the financial condition of any person whose financial statements are required, or whose statements are otherwise necessary for the protection of account holders and others.

Instructions:

1. If you previously used an audit period for your certified financial statements and this audit period does not coincide with your fiscal year, you may use the audit period instead of any required fiscal year. You may use this audit period, however, only if it covers a full twelve months' operations and you have used this period consistently.

2. Interim financial statements must be comparative and reported in the same format as the audited financial statements.

**Item 15. Consents of Experts and Reports**

(a) You must briefly describe all consents of experts filed under the instructions in the Form AC.

(b) You must provide a report of the independent public accountants who certified your financial statements and other matters in the proxy statement.

Instruction. You must summarize only the provisions of the consents that are pertinent from an investment and a voting standpoint. You do not have to provide a complete legal description of each consent.

**Item 16. Attachments**

You must attach a copy of your plan of conversion as approved by OTS to the proxy statement distributed to members and others. Alternatively, in a transaction that does not utilize a state-chartered holding company, you may disclose in the proxy statement that you will provide the plan of conversion, if a recipient requests it within a specified period by means of a postage-paid postcard or other written communication.

OTS Form 1681
August 2002

## Appendix C

**Office of Thrift Supervision**

**Form OC—Offering Circular**

*Paperwork Reduction Act Statement*

The Office of Thrift Supervision will use this information to ensure that the public receives adequate information about the Applicant and the securities being offered. *See* 12 CFR parts 563b and 563g.

Public reporting burden for this collection of information is estimated to average 150 hours, per response, including the time for reviewing instructions and completing and reviewing the collection of information. If a valid OMB Control Number does not appear on this form, you are not required to complete this form. Send comments on these information collections to Information Collection Comments, Attention: 1550–0014, by e-mail to *infocollection.comments@ots.treas.gov;* by facsimile transmission to (202) 906–6518; or by mail to Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552. Send a copy of comments to Joseph F. Lackey, Jr., Attention: 1550–0014, by e-mail to *Joseph_F._Lackey_Jr@omb.eop.gov* or by mail to him at Office of Information and Regulatory Affairs, Office of Management and Budget New Executive Office Building, Washington, DC 20503.

OMB No. 1550–0014
Expiration Date: 08/31/2003

**Form OC—Offering Circular**

[Not to be codified in the Code of Federal Regulations]

Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552

**Offering Circular**

(Name of Applicant as specified in charter) (Docket No.)

(Street Address of Applicant)

(City, State, and Zip Code)

**Index to Items**

Item 1. Information Required by and Use of Form OC
Item 2. Additional Current Information Required
Item 3. Statement Required in Offering Circulars
Item 4. Preliminary Offering Circular
Item 5. Information with Respect to Exercise of Subscription Rights
Item 6. Stock Selling Arrangements

**Item 1. Information Required by and Use of Form OC**

You must date the offering circular as of the effective date. You must include in your offering circular substantially the same information that you must include in the proxy statement that you distribute to your members to vote on the conversion. You may omit information from the offering circular that you included in the proxy statement only to the extent the information is clearly inapplicable and only if the offering circular is delivered with the proxy statement.

Instructions:

1. The ''offering circular'' is the offering circular for the subscription offering and the offering circular for any community offering or public offering, or both. It may also be called a ''prospectus.''

2. If you previously furnished a copy of the proxy statement to your members, you do not need to include the proxy statement with your offering circular in the subscription offering. However, you must state in the offering circular that you previously furnished a copy of the proxy statement to the members, and that you will furnish an additional copy promptly upon request. You also must state your telephone number and mailing address.

**Item 2. Additional Current Information Required**

You must include the following additional current information in your offering circular, if the information is available and you did not already include the information in the proxy statement:

(a) If your members' meeting took place before you mailed the Form OC, the result of the vote of your members on the conversion and any other proposals considered at the meeting.

(b) Any recent material developments in your business or affairs.

(c) The trading market that you expect for your conversion shares.

(d) A summary of the results of any separate subscription offering. You must include the number of shares that you sold to eligible account holders, supplemental eligible account holders, and other voting members; the price at which you sold the shares; and the number of unsubscribed shares. You must include this summary on the outside front cover page.

(e) The information required by Items 8(e)(1) and 8(f) of Form PS.

(f) Any other information necessary to make the offering circular current, including full financial statements dated within six months before the date you mail the offering circular. You must also include, in your subscription offering circular, any more recent financial statements if, at the time you commence your subscription offering, you determine that you must include the financial statement in an offering circular in the community offering or public offering, or both.

**Item 3. Statement Required in Offering Circulars**

If you are not forming a holding company as part of your reorganization, you must set out the following statement on the outside front cover page of every offering circular. You must set out the statement printed in bold-face Roman type at least as large as ten-point modern type:

**''The Office of Thrift Supervision has not approved or disapproved these shares. The office has not passed on the accuracy or adequacy of this offering circular. Any representation to the contrary is unlawful.''**

**Item 4. Preliminary Offering Circular**

You must include the caption ''Preliminary Offering Circular,'' the date you issue the preliminary offering circular, and the following statement on the outside front cover page of any preliminary offering circular. You must set out the statement in red ink, printed in type as large as you use generally in the body of the offering circular.

''We have filed this offering circular with the Office of Thrift Supervision, but it has not been authorized for use in final form. We may complete or amend the information in this offering circular. We may not sell or accept offers to buy the shares covered by this offering circular before the Office of Thrift Supervision declares the offering circular effective. The offering circular is not an offer to sell or the solicitation of an offer to buy. We will not sell these shares in a state that prohibits offers, solicitations, or sales before registration or qualification under the securities laws of that state.''

**Item 5. Information With Respect to Exercise of Subscription Rights**

In any offering circular that you will deliver to subscribers, you must describe all material terms of the offering relating to the exercise of subscription rights. You may exclude this information if you have already included this information in the proxy statement. Material terms include the expiration date, any subscription agent, method of exercising subscription rights, payment for shares, delivery of stock certificates for shares purchased, maximum subscription price, possible reduction of subscription price, relationship of subscription price to public offering price, requirement that all unsubscribed shares be sold, and any other material conditions relating to the exercise of subscription rights.

**Item 6. Stock Selling Arrangements**

In each offering circular you must describe the material terms of the plan or plans of distribution for all shares.

(a) You must include the following information in substantially the tabular form set forth below. You must set out this information on the outside front cover page of the offering circular.

| | Price to public | Selling discounts and commissions | Proceeds to applicant |
|---|---|---|---|
| Per share | $ | $ | $ |
| Total | | | |

(b) If there is a community offering or public offering, or both, you must provide an offering circular. You may omit the description relating to the exercise of subscription rights required by item 5, unless you commence your community offering or public offering, or both, simultaneously with your subscription offering.

(c) If you sell any shares through a community offering, you must indicate: (1) The timing for the offering, (2) the geographic area where you will make the offering, (3) the method you will employ to market the shares (including the frequency and nature of communications or contracts with potential purchasers), (4) any preferences that you will give to any geographic area or to any class of potential purchasers, and (5) the limitations on purchases by potential purchasers.

(d) If a selling agent assists in offering shares, you must identify the selling agent, disclose how the selling agent will offer the shares, and disclose the commissions and fees you will pay to the selling agent.

(e) If you will offer any shares through underwriters, you must include in the offering circular for the public offering the names of the principal underwriters and the amounts that each will underwrite. You may omit this information for principal underwriters, other than the managing underwriters, from the offering circular for the subscription offering if you include the following conditions: (1) that all subscription rights will be exercisable by delivery of order forms to the underwriters or selling group for the public offering; and (2) that orders of persons exercising subscription rights will be filled prior to orders for stock in the direct community or public offerings, or both. You must identify each principal underwriter that has a material relationship with you and describe the relationship. In each offering circular, you must state briefly the underwriter's obligation to take unsubscribed shares.

(f) You must briefly disclose in the offering circular the discounts and commissions that you may allow or may pay dealers in connection with the sale of unsubscribed shares for the community or public offering, or both. You may omit this information from the offering circular for any subscription offering, unless you use the subscription offering circular for the community offering or public offering, or both.

Instructions:

1. Commissions include all cash, securities, contracts, or anything else of value, paid, to be set aside, or disposed of. Commissions also include understandings

made with or for the benefit of any persons in which any underwriter or dealer is interested, in connection with the sale of the shares.

2. You must include any cash commissions in the table. You must describe other consideration you will make to the underwriters following the table with a reference in the second column of the table. You also must appropriately disclose any finder's fees or similar payments.

3. You must state whether the selling agents or underwriters are or will be committed to take and to pay for all of the shares if any are taken, or whether it is merely an agency or ''best efforts'' arrangement under which the selling agents or underwriters are required to take and pay for only the shares that they sell to the public.

OTS Form 1682
August 2002

## Appendix D

**Office of Thrift Supervision**

**Form OF—Order Form**

*Paperwork Reduction Act Statement*

The Office of Thrift Supervision will use this information to ensure subscribers to Applicant's stock receive adequate disclosures regarding the purchase of Applicant's stock. *See* 12 CFR part 563b and § 563.76.

Public reporting burden for this collection of information is estimated to average one hour, per response, including the time for reviewing instructions and completing and reviewing the collection of information. If a valid OMB Control Number does not appear on this form, you are not required to complete this form. Send comments on these information collections to Information Collection Comments, Attention: 1550–0014, by e-mail to *infocollection.comments@ots.treas.gov;* by facsimile transmission to (202) 906–6518; or by mail to Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552. Send a copy of comments to Joseph F. Lackey, Jr., Attention: 1550–0014, by e-mail to *Joseph_F._Lackey_Jr@omb.eop.gov* or by mail to him at Office of Information and Regulatory Affairs, Office of Management and Budget New Executive Office Building, Washington, DC 20503.

OMB No. 1550–0014
Expiration Date: 08/31/2003

**Form OF—Order Form**

[Not to be codified in the Code of Federal Regulations]

Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552

**Order Form for Purchase of Conversion Shares**

(Name of Applicant as specified in charter) (Docket No.)

(Street Address of Applicant)

(City, State, and Zip Code)

(1) After OTS declares your offering circular for the subscription offering effective, you must promptly distribute order forms for the purchase of shares of stock to: (a) All eligible account holders, (b) supplemental eligible account holders, and (c) other voting members who may subscribe for shares under the plan of conversion.

(2) You must provide a final offering circular for the subscription offering or any community or public offerings with the order form (unless you previously provided a final offering circular). You must include detailed instructions explaining how to complete the order forms.

(3) You must state the maximum subscription price on each order form. This amount is the amount that is payable to you when the subscriber returns the order form. You must establish a maximum subscription price and an actual subscription price that is within the subscription price range stated in OTS's approval and in the offering circular. If the maximum subscription price or the actual subscription price is not within the subscription price range, you must receive OTS approval to amend the range. If appropriate, OTS may require you to resolicit proxies and order forms as a condition to its approval. If the public offering price is less than the maximum subscription price on the order form, you must reduce the actual subscription price to correspond to the public offering price. You must refund the difference to those subscribers who paid the maximum subscription price, unless the subscriber affirmatively elects to apply the difference to the purchase of additional shares.

(4) You must describe in a simple, clear, and intelligible manner the actions that are required or available to the persons who will receive the order form. Specifically, you must provide all of the following information:

(i) Indicate the maximum number of shares that the person may purchase under the subscription rights;

(ii) Indicate the time period during which the person must exercise the subscription rights. This period must be at least 20 days and not more than 45 days after you mail the subscription offering order form;

(iii) State the maximum subscription price per share;

(iv) Indicate any minimum share purchase requirements;

(v) Specifically designate blank space or spaces for the person to indicate the number of shares he or she wishes to purchase;

(vi) Indicate how the person must pay. If the person withdraws funds from a certificate of deposit, you must indicate that the person may withdraw the funds without penalty. If the person pays by withdrawing from a savings account or certificate of deposit, you must provide for the person to check a box on the order form. If a person pays by withdrawing from a savings account or certificate of deposit, you may, but need not, withdraw funds from the account when you receive the order form. If the person withdraws funds before the closing date of the public offering, you must pay interest to the account holder as if the amount remained in the account until the closing date;

(vii) Specifically designate blank spaces for the person to date and sign the order form;

(viii) Include an acknowledgment that the person who signed the order form received a final offering circular before he or she signed the form; and

(ix) Indicate what will happen if the person does not properly complete and return the order form. You must state that the person may not transfer the subscription rights to another and state that the subscription rights are void at the end of the subscription period. You must include in the instructions to the form the address where the person must send the order form and the date that you will deem the order form received (for instance, by date and time of actual receipt at the indicated address, or by date and time of postmark).

(5) You may state that no one may modify the order form without your consent.

(6) You must include the following statements in bold print in your order form:

(a) **''Federal Regulations prohibit any person from transferring or entering into any agreement directly or indirectly to transfer the legal or beneficial ownership of conversion subscription rights, or the underlying securities to the account of another.''**

(b) **''Under penalty of perjury, I certify that I, _____, am purchasing shares solely for my account and that there is no agreement or understanding regarding the sale or transfer of such shares, or my right to subscribe for shares.''**

(7) You must also include the following certification on your order form.

**''I ACKNOWLEDGE THAT THIS SECURITY IS NOT A DEPOSIT OR ACCOUNT AND IS NOT FEDERALLY INSURED, AND IS NOT GUARANTEED BY [insert name of savings association] OR BY THE FEDERAL GOVERNMENT.''**

If anyone asserts that this security is federally insured or guaranteed, or is as safe as an insured deposit, I should call the Office of Thrift Supervision Regional Director [insert Regional Director's name and telephone number with area code].

I further certify that, before purchasing the [description of security being offered] of [name of issuer, name of savings association,

and affiliation to issuer (if different)], I received an offering circular.

The offering circular that I received contains disclosure concerning the nature of the security being offered and describes the risks involved in the investment, including: [list briefly the principle risks involved and cross reference certain specified pages of the offering circular where a more complete description of the risks is made].

Signature: _____

Date: _____

OTS Form 1683
August 2002

[FR Doc. 02–19730 Filed 8–8–02; 8:45 am]

BILLING CODE 6720–01–P

Federal Register

Friday,
August 9, 2002

# Part VI

# Department of Health and Human Services

## Health Resources and Services Administration

## Availability of Funds Announced in the HRSA Preview; Notice

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Health Resources and Services Administration

### Availability of Funds Announced in the HRSA Preview

**AGENCY:** Health Resources and Services Administration, HHS.

**ACTION:** General Notice.

**SUMMARY:** Health Resources and Services Administration (HRSA) announces the availability of funds in the HRSA Preview for Summer 2002. This edition of the HRSA Preview is a comprehensive review of HRSA's Fiscal Year 2003 competitive grant programs.

The purpose of the HRSA Preview is to provide the general public with a single source of program and application information related to the Agency's competitive grant offerings. The HRSA Preview is designed to replace the multiple **Federal Register** notices that traditionally advertised the availability of HRSA's discretionary funds for its various programs. It should be noted that additional program initiatives responsive to new or emerging issues in the health care area and unanticipated at the time of publication of the HRSA Preview may be announced through the **Federal Register** and the HRSA Web site, *http://www.hrsa.gov/grants.htm* This notice does not change requirements appearing elsewhere in the **Federal Register**.

This notice contains nearly all of the content of the HRSA Preview. The HRSA Preview contains a description of competitive and other grant programs scheduled for awards in Fiscal Year 2003, and includes instructions on how to contact the Agency for information and receive application kits for all programs. Specifically, the following information is included in the HRSA Preview: (1) Program announcement number; (2) program announcement title; (3) program announcement code; (4) legislative authority; (5) Catalog of Federal Domestic Assistance (CFDA) identification number; (6) purpose; (7) eligibility; (8) funding priorities and/or preferences; (9) estimated dollar amount of competition; (10) estimated number of awards; (11) estimated project period; (12) application availability date; (13) letter of intent deadline (if any); (14) application deadline; (15) projected award date; and (16) programmatic contact, with telephone and e-mail addresses. Certain other information, including how to obtain and use the HRSA Preview and grant terminology, can also be found in the HRSA Preview.

In Fiscal Year 2003, HRSA will begin accepting grant applications online. Please refer to the HRSA Grant Schedule at *http://www.hrsa.gov/grants/* for more information.

Dated: August 2, 2002.

**Elizabeth M. Duke,**

*Administrator.*

This notice describes funding for the following HRSA discretionary authorities and programs (receipt deadlines are also provided):

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| Bureau of Health Professions: | |
| Field Experiences In Public Health Nursing In State And Local Health Departments For Baccalaureate Nursing Students (BHNBN) | 11/04/2002 |
| Training In Primary Care Medicine And Dentistry (DRPC) | (1) |
| Dental Public Health Residency Training Grants (DPHT) | 09/30/2002 |
| Podiatric Residency Training In Primary Care (PODPC) | 09/30/2002 |
| Basic Nurse Education And Practice Grants (BNEP) | 12/16/2002 |
| Nurse Anesthetist Traineeships (NATR) | 11/15/2002 |
| Advanced Education Nursing Traineeships (AENT) | 11/15/2002 |
| Nursing Workforce Diversity Grants (NWD) | 12/06/2002 |
| Advanced Education Nursing Grants (AENP) | 12/13/2002 |
| Geriatric Nursing Knowledge And Experiences In Long Term Care Facilities For Nursing Students (BNEP) | 11/04/2002 |
| Health Careers Opportunity Program (HCOP) | 02/24/2003 |
| Centers Of Excellence (COES) | 01/17/2003 |
| Basic/Core Area Health Education Centers (BAHEC) | 11/25/2002 |
| Model State-Supported Area Health Education Centers (MAHEC) | 11/25/2002 |
| Health Administration Traineeships And Special Projects (HATR) | 12/11/2002 |
| Public Health Traineeships (PHTR) | 12/09/2002 |
| Geriatric Education Centers (GECS) | 01/27/2003 |
| Geriatric Training For Physicians, Dentists, And Behavioral And Mental Health Professionals (GTPD) | 12/16/2002 |
| Geriatric Academic Career Awards (GACA) | 02/03/2003 |
| Quentin N. Burdick Program For Rural Interdisciplinary Training (QBRH) | 01/10/2003 |
| Allied Health Projects (AHPG) | 01/13/2003 |
| Chiropractic Demonstration Project Grants (CHIRO) | 03/31/2003 |
| Grants To States For Loan Repayment Programs (SLRP) | 05/15/2003 |
| Cooperative Agreement For A Regional Center For Health Workforce Studies (RCHWS) | 01/21/2003 |
| Special Programs for Individuals: | |
| NHSC Scholarship Program (NHSCS) | 03/28/2003 |
| National Health Service Corps Loan Repayment Program (NHSCL) | 03/28/2003 |
| Faculty Loan Repayment Program (FLRP) | 05/30/2003 |
| Scholarships For Disadvantaged Students (SDS) | 12/17/2002 |
| Nursing Education Loan Repayment Program (NELRP) | 01/31/2003 |
| Bureau of Primary Health Care: | |
| Community And Migrant Health Centers (CMHS) | (1) |
| Health Care For The Homeless (HCH) | (1) |
| Public Housing Primary Care (PHPC) | (1) |
| Healthy Schools, Healthy Communities (HSHC) | (1) |
| New Delivery Sites And New Starts In Programs Funded Under The Health Centers Consolidation Act (NDSCS) | (1) |
| Increase In Medical Capacity In Programs Funded Under The Health Care Consolidation Act Of 1996 (IMCHC) | 02/01/2003 |
| National Health Center Technical Assistance Cooperative Agreement (NAT) | (1) |
| Increase In Mental Health And Substance Abuse, Oral Health, Care Management, And Pharmacy Services In Programs Funded Under The Health Centers Consolidation Act Of 1996 (IMHSA) | 02/01/2003 |
| Radiation Exposure Screening And Education Program (RESEP) | 05/01/2003 |
| Community Access Program (CAP) | 06/01/2003 |
| Integrated Services Development Initiative/Shared Integrated Management Information Systems (IS) | (1) |

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|---|---|
| State Primary Care Associations Supplemental Funding For Managing Health Center Growth And Quality (PCO) | 12/01/2002 |
| HIV/AIDS Bureau: | |
| AIDS Education And Training Centers' National Clinicians' Consultation Center (AETCC) | 06/01/2003 |
| Grants For Coordinated Services And Access To Research For Children, Youth, Women And Their Families (CSCYW) | 02/14/2003 |
| Funding For Early Intervention Services Grants: Existing Geographic Service Areas (EIEGS) | 10/01/2002<br>04/01/2003 |
| HIV Services Planning Grants (SPG) | 04/04/2003 |
| Ryan White Care Act Capacity Building Grants (RWCBG) | 04/04/2003 |
| Special Projects Of National Significance—Models Of Comprehensive Care For Caribbeans Living In The United States (SPCCL) | 03/18/2003 |
| Special Projects Of National Significance—HIV Prevention Initiatives In Primary Care Settings (SPPCS) | 06/30/2003 |
| Telehealth Grant Program (THGP) | 03/17/2003 |
| Maternal and Child Health Bureau: | |
| Genetic Services—Grants To Support Comprehensive Medical Care For Cooley's Anemia/Thalassemia (GSCAT) | 03/18/2003 |
| Promoting Integration Of State Health Information Systems And Newborn Screening Service Systems For Monitoring And Ensuring Quality Services To Newborns And Children With Or At Risk For Heritable Disorders-Cooperative Agreement (ISNSS) | 12/03/2002 |
| National Oral Health Policy Center (OHSD) | 12/16/2002 |
| Integrated Health And Behavioral Health Care For Children, Adolescents And Their Families—Implementation Grants (IHBHC) | 02/10/2003 |
| State Maternal And Child Health Early Childhood Comprehensive Systems Grants (SECCS) | 01/03/2003 |
| Transitioning Healthy Child Care America Programs (THCCA) | 11/01/2002 |
| Leadership Development For Implementation Of Systems Of Care For Children And Youth With Special Health Care Needs (CICS) | 02/14/2003 |
| Screening For Multiple Behavioral Risk Factors During The Preconception Through Postpartum Period (SMBRF) | 01/06/2003 |
| SPRANS Community-Based Abstinence Education Project Grants (CBAE) | 01/21/2003 |
| New Investigators In Maternal And Child Health Research: Dissertation Awards (RDA) | 02/28/2003 |
| Maternal And Child Health Research Program (MCHR) | 08/15/2002<br>03/03/2003<br>08/15/2003 |
| Maternal And Child Health Leadership Education In Developmental-Behavioral Pediatrics (BPT) | 12/20/2002 |
| Maternal And Child Health Centers For Leadership In Communication Disorders Education (CDT) | 02/10/2003 |
| Leadership Education Excellence In Maternal And Child Health Nursing (NURT) | 01/17/2003 |
| Leadership Education Excellence In Maternal And Child Health Nutrition (NUTT) | 01/17/2003 |
| Maternal And Child Health (MCH) Centers For Leadership In Public Health Social Work Education (SWT) | 01/17/2003 |
| Continuing Education And Development Collaborative Office Rounds (CECOR) | 12/09/2002 |
| HRSA/MCHB Doctoral Support Training Program: Awards For Enhancement Of Epidemiology Applied To MCH (EPI) | 11/15/2002 |
| Healthy Tomorrows Partnership For Children Program (HTPC) | 11/01/2002 |
| State Systems Development Initiative, Maternal And Child Health Services Federal Set-Aside Program (SSDI) | 03/18/2003 |
| Emergency Medical Services For Children (EMSC) Partnership Demonstration Grants (EMSCP) | 11/12/2002 |
| Emergency Medical Services For Children (EMSC) Regional Symposium Supplemental Grants (EMSCS) | 11/12/2002 |
| Traumatic Brain Injury (TBI) State Implementation Grants (TBII) | 12/02/2002 |
| Traumatic Brain Injury (TBI) State Planning Grants (TBIP) | 12/02/2002 |
| Traumatic Brain Injury (TBI) Post-Demonstration (TBIPD) | 12/02/2002 |
| Poison Control Centers Stabilization And Enhancement Grant Program (PCCSE) | 05/08/2003 |
| Poison Control Centers Stabilization And Enhancement Grant Program, Financial Stabilization Supplemental Grants (PCCFS) | 05/08/2003 |
| Office Of Rural Health Policy: | |
| Rural Health Outreach Grant (RHO) | 09/13/2002<br>09/12/2003 |
| Rural Health Network Development (RHN) | 09/20/2002<br>09/19/2003 |
| Office Of Special Programs: | |
| Social And Behavioral Interventions To Increase Organ And Tissue Donation (SBITD) | 03/04/2003 |
| Clinical Interventions To Increase Organ Procurement (CIOP) | 03/18/2003 |

(1) Varies.

## How To Use and Obtain Copies of the HRSA Preview

It is recommended that you read the introductory materials, terminology section, and individual program category descriptions before contacting the toll-free number: 1–877–HRSA–123 (1–877–477–2123), M–F 8:30 a.m. to 5 p.m. EST. Likewise, we urge applicants to fully assess their eligibility for grants before requesting kits. As a general rule, no more than one kit per category will be mailed to applicants.

*To Obtain a Copy of the HRSA Preview*

This HRSA Preview will be available in booklet form in the near future. To have your name and address added to or deleted from the HRSA Preview mailing list, call the toll free number above or send a message by e-mail to *hrsagac@hrsa.gov.*

*To Obtain an Application Kit*

Applications kits differ depending on the grant program. Determine which kit(s) you wish to receive and call 1–877–477–2123 to be placed on the mailing list. Be sure to provide the information specialist with the Program Announcement Number, Program Announcement Code and the title of the grant program. You may also request application kits using the e-mail address above. Application kits are generally available 60 days prior to application deadline. If kits are available earlier, they will be mailed immediately. The guidance contained in the various kits contains detailed instructions, background on the grant program, and other essential information, such as the applicability of Executive Order 12372 and 45 CFR part 100, and additional information pertinent to the

intergovernmental review process, as appropriate.

*World Wide Web Access*

The HRSA Preview is available on the HRSA home page via the World Wide Web at: *www.hrsa.gov/grants.htm.* You can download this issue in Adobe Acrobat format.

Application materials are also available for downloading for some HRSA programs. HRSA's goal is to post application forms and materials for all programs in future cycles.

You can register online to be sent grant application materials by following the instructions on the Web page. Your mailing information will be added to our database and materials will be sent to you as they become available.

**Grant Terminology**

*Application Deadlines*

Applications will be considered on time if they are received on or before the established deadline, or postmarked on or before the deadline given in the program announcement or in the application kit materials. Applications sent to any address other than that specified in the application guidance are subject to being returned.

*Authorization*

The citation of the law authorizing the various grant programs is provided immediately following the title of the programs.

*CFDA Number*

The Catalog of Federal Domestic Assistance (CFDA) is a Government-wide compendium of Federal programs, projects, services, and activities that provide assistance. Programs listed therein are given a CFDA Number.

*Cooperative Agreement*

A financial assistance mechanism (grant) used when substantial Federal programmatic involvement with the recipient is anticipated by the funding agency during performance of the project. The nature of that involvement will always be specified in the offering or application guidance materials.

*Eligibility*

The status an entity must possess to be considered for a grant. Authorizing legislation and programmatic regulations specify eligibility for individual grant programs, and eligibility may be further restricted for programmatic reasons. In general, assistance is provided to nonprofit organizations and institutions, including faith-based and community-based entities, State and local governments, their agencies, including an Indian Tribe or tribal organization, and occasionally to individuals. For-profit organizations are eligible to receive awards under financial assistance programs unless specifically excluded by legislation.

*Estimated Amount of Competition*

The funding level listed is provided only as an estimate, and is subject to the availability of funds, Congressional action, and changing program priorities.

*Funding Priorities and/or Preferences*

Funding preferences, priorities, and special considerations may come from legislation, regulations, or HRSA program leadership decisions. They are not the same as review criteria. Funding preferences are any objective factors that would be used to place a grant application ahead of others without the preference on a list of applicants recommended for funding by a review committee. Some programs give preference to organizations that have specific capabilities such as telemedicine networking, or have established relationships with managed care organizations. Funding priorities are factors that cause a grant application to receive a fixed amount of extra rating points—which may similarly affect the order of applicants on a funding list. Special considerations are other factors considered in making funding decisions that are neither review criteria, preferences, or priorities, *e.g.,* ensuring that there is an equitable geographic distribution of grant recipients, or meeting requirements for urban and rural proportions.

*Letter of Intent*

To help in planning the application review process, many HRSA programs request a letter of intent from the applicant in advance of the application deadline. Letters of intent are neither binding nor mandatory. Details on where to send letters can be found in the guidance materials contained in the application kit.

*Matching Requirements*

Several HRSA programs require a matching amount, or percentage of the total project support, to come from sources other than Federal funds. Matching requirements are generally mandated in the authorizing legislation for specific categories. Also, matching or other cost-sharing requirements may be administratively required by the awarding office. Such requirements are set forth in the application kit.

*Program Announcement Code*

The program announcement code is a unique identifier for each program funded by HRSA. The three-five character acronyms are located in parentheses immediately at the end of each program title and must be used to request application materials either from the HRSA Grants Application Center or online at *hrsagac@hrsa.gov.*

Be sure to use the program announcement number, program announcement code and the title of the grant program when requesting an application kit.

*Program Announcement Number*

A unique program announcement (HRSA) number is located at the beginning of each program announcement in the HRSA Preview and **Federal Register** notices and includes the Fiscal Year and sequence number for announcement; for example, HRSA 03–001. This number is used with the program title and program announcement code to order application materials.

*Project Period*

The total time for which support of a discretionary project has been programmatically approved. The project period usually consists of a series of budget periods of one-year duration. Once approved through initial review, continuation of each successive budget period is subject to satisfactory performance, availability of funds, and program priorities.

*Review Criteria*

The following are generic review criteria applicable to HRSA programs:

- That the estimated costs to the Government of the project are reasonable considering the level and complexity of activity and the anticipated results.
- That project personnel or prospective fellows are well qualified by training and/or experience for the support sought, and the applicant organization or the organization to provide training to a fellow have adequate facilities and manpower.
- That, insofar as practical, the proposed activities (scientific or other), if well executed, are capable of attaining project objectives.
- That the project objectives are capable of achieving the specific program objectives defined in the program announcement and the proposed results are measurable.
- That the method for evaluating proposed results includes criteria for determining the extent to which the program has achieved its stated

objectives and the extent to which the accomplishment of objectives can be attributed to the program.

• That, in so far as practical, the proposed activities, when accomplished, are replicable, national in scope and include plans for broad dissemination.

The specific review criteria used to review and rank applications are included in the individual guidance material provided with the application kits. Applicants should pay strict attention to addressing these criteria, as they are the basis upon which the reviewers will judge their applications.

*Technical Assistance*

A contact person is listed for each program and his/her e-mail address and telephone number provided. Some programs have scheduled workshops and conference calls. If you have questions concerning individual programs or the availability of technical assistance, please contact the person listed. Also check your application materials and the HRSA Web site at *http://www.hrsa.gov/* for the latest technical assistance information.

**Frequently Asked Questions**

*1. Where Do I Submit Grant Applications?*

The address for submitting your grant application will be shown in the guidance document included in the application kit.

*2. How Do I Learn More About a Particular Grant Program?*

If you want to know more about a program before you request an application kit, an e-mail/telephone contact is listed. This contact person can provide information concerning the specific program's purpose, scope and goals, and eligibility criteria. Usually, you will be encouraged to request the application kit so that you will have clear, comprehensive, and accurate information available to you. When requesting application materials, you must state the program announcement number, the program code and title of the program. The application kit lists telephone numbers for a program expert and a grants management specialist who will provide information about your program of interest if you are unable to find the information within the written materials provided.

In general, the program contact person provides information about the specific grant offering and its purpose, and the grants management specialist provides information about the grant mechanism and business matters, though their responsibilities often overlap.

Information specialists at the toll-free number provide only basic information and administer mailings.

*3. The Dates Listed in the HRSA Preview and the Dates in the Application Kit Do Not Agree. How Do I Know Which Is Correct?*

HRSA Preview dates for application kit availability and application receipt deadlines are based upon the best known information at the time of publication, often nine months in advance of the competitive cycle. Occasionally, the grant cycle does not begin as projected and dates must be adjusted. The deadline date stated in your application kit is generally correct. If the application kit has been made available and subsequently the date changes, notification of the change will be mailed to known recipients of the application kit, and also posted on the HRSA home page.

*4. Are Programs Announced in the HRSA Preview Ever Cancelled?*

Infrequently, announced programs may be withdrawn from competition. If this occurs, a cancellation notice will be provided through the HRSA Preview at the HRSA home page at *http://www.hrsa.dhhs.gov*. If practicable, an attempt will be made to notify those who have requested a kit for the cancelled program by mail.

If you have unanswered questions, please contact Jeanne Conley of the Grants Policy Branch at (301) 443–4972 or *jconley@hrsa.gov*.

**HRSA Program Competitions**

*Bureau of Health Professions*

**Note:** Programs listed with an asterisk (*) are not included in the President's budget for FY 2003. They are included for planning purposes only. Potential applicants should consider these announcements provisional until final Congressional action on appropriations is taken.

HRSA 03–001 Field Experiences in Public Health Nursing in State and Local Health Departments for Baccalaureate Nursing Students (BHNBN)

*Legislative Authority:* Public Health Service Act, Title VIII, Section 831, 42 U.S.C. 296p.

*CFDA:* 93.359.

*Purpose:* The purpose of this request for applications is to provide small grants for one year to assist eligible entities to strengthen the public health nursing practice field experience component of the baccalaureate nursing program. Funds may be used to assist the applicant to plan, implement, and evaluate a public health nursing practice experience including preparation of faculty and key health department staff, that will expose students to (1) selected core functions of public health (assessment, policy development, and assurance) and essential services; (2) the mission of the State and/or local health departments, and (3) how a variety of public health practitioners function as a team in promoting, protecting, and maintaining the public's health. This plan may be implemented with a small number of baccalaureate nursing students. The plan is to include development of academic and practice linkages with a State or one or more local health departments.

*Eligibility:* Eligible applicants are schools of nursing and State or local governments. Applications from schools of nursing that have been previously funded for this purpose are not eligible.

*Funding Priorities or Preferences:* As provided in section 805 of the Public Health Service Act, preference will be given to applicants with projects that will substantially benefit rural or underserved populations, or help meet public health nursing needs in State or local health departments.

*Estimated amount of This Competition:* $250,000.

*Estimated Number of Awards to be Made:* 10.

*Estimated or Average Size of Each Award:* $25,000.

*Estimated Project Period:* 1 year.

HRSA 03–001 Field Experiences in Public Health Nursing in State and Local Health Departments for Baccalaureate Nursing Students (BHNBN)

*Application Availability Date:* August 9, 2002.

*Application Deadline:* November 4, 2002.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Irene Sandvold.

*Phone Number:* (301) 443–6333.

*E-mail: isandvold@hrsa.gov.*

HRSA 03–002 Training in Primary Care Medicine and Dentistry* (DRPC)

*Legislative Authority:* Public Health Service Act, Title VII, Section 747, 42 U.S.C. 293k.

*CFDA Number:* 93.884.

*Purpose:* Grants are awarded for the following purposes: (1) *Residency Training in Primary Care*— to plan, develop, and operate or participate (including provision of financial assistance) in approved residency or internship programs in family medicine, general internal medicine and/or

general pediatrics; (2) *Faculty Development in Primary Care*— to plan, develop, and operate (including provision of financial assistance) programs for the training of physicians who plan to teach in family medicine (including geriatrics), general internal medicine and/or general pediatrics training programs; (3) *Predoctoral Training in Primary Care*— to plan, develop, and operate or participate (including provision of financial assistance) in approved predoctoral programs in family medicine, general internal medicine and/or general pediatrics; (4) *Academic Administrative Units in Primary Care*— to meet the costs of projects to establish, maintain or improve academic administrative units to improve clinical instruction in family medicine, general internal medicine and/or general pediatrics; (5) *Physician Assistant Training in Primary Care*— to meet the costs of projects to plan, develop and operate or maintain approved programs for the training of physician assistants, and for the training of individuals who will teach in programs to provide such training; (6) *General and Pediatric Dentistry*— to meet the costs of planning, developing, or operating (including provision of financial assistance) approved residency programs of general or pediatric dentistry.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* For program purposes (1), (2), and (5) public or nonprofit private hospitals, accredited schools of medicine or osteopathic medicine, or public or private nonprofit entities, including faith-based and community-based organizations, are eligible to apply.

For program purposes (3) and (4) public or nonprofit private accredited schools of allopathic or osteopathic medicine are eligible to apply.

For program purpose (6) entities that have programs in accredited dental schools, approved residency programs in the pediatric or general practice of dentistry, approved advanced education programs in the pediatric or general practice of dentistry, or approved residency programs in pediatric dentistry are eligible to apply.

*Funding Priorities or Preferences:* Statutory funding preference will be offered for all training in primary care medicine and dentistry grant purposes (1) through (6). As provided in Section 791(a) of the Public Health Service Act (as amended), preference will be given to any qualified applicant that: (A) has a high rate for placing graduates in practice settings having the principal focus of serving residents of medically underserved communities; or (B) during the two-year period preceding the fiscal year for which such an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. Preference will be given to those new programs that meet at least four of the criteria described in section 791(c)(3) of the Public Health Service Act so that new applicants may compete equitable. This statutory preference will only be applied to applications that rank above the 20th percentile of applications recommended for approval by peer review groups.

For program purpose (4) a second preference is offered to qualified applicants for the establishment or the substantial expansion of an academic administrative unit.

*Statutory Funding Priority:* For program purposes (1) and (6) priority will be offered to qualified applicants that have a record of training the greatest percentage of providers or that have demonstrated significant improvements in the percentage of providers who enter and remain in primary care practice or general or pediatric dentistry.

For program purposes (1), (5) and (6) priority will be offered to qualified applicants that have a record of training individuals who are from disadvantaged backgrounds (including racial and ethnic minorities underrepresented among primary care practice or general or pediatric dentistry).

For program purpose (4) priority will be offered to qualified applicants that propose a collaborative project between departments of primary care.

For program purposes (2) and (3) there are no priorities.

*Administrative Funding Priority:* For program purpose (6) priority will be offered to new programs that have enrollees and no graduates at the time of application, and newly initiated programs that have neither enrollees nor graduates at the time of application.

*Statutory Special Consideration:* For all grant program purposes (1) through (6) special consideration will be offered to qualified applicants proposing projects to prepare practitioners to care for underserved populations and other high risk groups such as the elderly, individuals with HIV–AIDS, substance abusers, homeless and victims of domestic violence.

*Administrative Special Consideration:* For all grant program purposes (1) through (6), special consideration will be given to applicants that propose approaches for enhancing current and/or developing new educational opportunities using distance learning methodologies, with the goal of improving access to primary health care for medically and/or dentally underserved communities and/or underserved populations or other high risk groups.

*Estimated Amount of This Competition:* $33,000,000.

*Estimated Number of Awards To Be Made:* 220.

*Estimated or Average Size of Each Award:* $150,000.

*Estimated Project Period:* 3 years.

HRSA 03–002 Training in Primary Care Medicine and Dentistry* (DRPC)

*Application Availability Date:* For all grant program purposes August 19, 2002.

*Application Deadlines:*

Program purpose (1) October 21, 2002, Residency Training in Primary Care;

Program purpose (2) November 18, 2002, Faculty Development in Primary Care;

Program purpose (3) October 28, 2002, Predoctoral Training in Primary Care;

Program purpose (4) January 6, 2003, Academic Administrative Units in Primary Care;

Program purpose (5) November 12, 2002, Physician Assistant Training in Primary Care;

Program purpose (6) October 30, 2002, General and Pediatric Dentistry.

*Projected Award Dates:* Program purposes (1) through (5) June 30, 2003. Program purpose (6) April 30, 2003.

*Program Contact Persons:* For program purposes (1) through (5), staff assignments are based upon the State in which an applicant is located:

Shane Rogers—CT, ME, MA, NH, RI, VT
Brenda Williamson—NY, NJ, PR, VI
Rebecca Bunnell—DE, MD, PA, VA, WV, DC
Marcia Britt—AL, FL, GA, KY, MS, NC, SC, TN
Lafayette Gilchrist—IL, IN, MI, MN, OH, WI
Ellie Grant—AR, NM, OK, TX, LA
Shelby Biedenkapp—IA, KS, MO, NE
Martha Evans—CO, MT, UT, SD, WY, AK, ID, OR, WA, ND
Elsie Quinones–AZ, CA, HI, NV, Pacific Basin

For program purpose (6), the program contact person is Susan Goodman.

*Phone Numbers:* Program purposes (1) through (6)—(301) 443–1467.

*E-mail:* Program purposes (1) through (5):

Shane Rogers—*srogers@hrsa.gov*
Brenda Williamson—*bwilliamson@hrsa.gov*
Rebecca Bunnell—*rbunnell@hrsa.gov*
Marcia Britt—*mbritt@hrsa.gov*
Lafayette Gilchrist—*lgilchrist@hrsa.gov*
Ellie Grant—egrant@hrsa.gov
Shelby Biedenkapp—*sbiedenkapp@hrsa.gov*
Martha Evans—*mevans@hrsa.gov*
Elsie Quinones—*equinones@hrsa.gov*
Program purpose (6): Susan Goodman—*sgoodman@hrsa.gov.*

HRSA 03–003 Dental Public Health Residency Training Grants* (DPHT)

*Legislative Authority:* Public Health Service Act, Title VII, section 768, 42 U.S.C. 295c.

*CFDA Number:* 93.236.

*Purpose:* The purpose of this program is: (1) To plan and develop new residency training programs and to maintain or improve existing residency training programs in dental public health; and (2) to provide financial assistance to residency trainees enrolled in such programs.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA web site.

*Eligibility:* A school of public health or dentistry that offers a dental public health residency training program accredited by the American Dental Association Commission on Dental Accreditation is eligible to apply. Each applicant must demonstrate that the institution has or will have available full-time faculty members with training and experience in the field of dental public health and support from other faculty members trained in public health and other relevant specialties and disciplines.

*Administrative Special Consideration:* Special consideration will be given to applicants that propose approaches for enhancing current and/or developing new educational opportunities using distance learning methodologies, with the goal of improving access to primary health care for medically and/or dentally underserved communities and/or underserved populations or other high risk groups.

*Estimated Amount of This Competition:* $600,000.

*Estimated Number of Awards To Be Made:* 7.

*Estimated or Average Size of Each Award:* $90,000.

*Estimated Project Period:* 3 Years.

HRSA 03–003 Dental Public Health Residency Training Grants* (DPHT)

*Application Availability Date:* August 12, 2002.

*Application Deadline:* September 30, 2002.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Jerald Katzoff.

*Phone Number:* (301) 443–6326.

*E-mail:* jkatzoff@hrsa.gov.

HRSA 03–004 Podiatric Residency Training in Primary Care* (PODPC)

*Legislative Authority:* Part D, Title VII, Public Health Service Act, Section 755(b)(2), 42 U.S.C. 294.

*CFDA Number:* 93.181.

*Purpose:* Grants are awarded to plan and implement projects in preventive and primary care training for podiatric physicians in approved or provisionally approved residency programs that shall provide financial assistance in the form of traineeships to residents who participate in such projects and who plan to specialize in primary care.

The applicant must propose a project that is collaborative among two or more disciplines.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Eligible entities are health professions schools, academic health centers, State or local governments or other appropriate public or private nonprofit entities, including faith-based organizations and community-based organizations.

*Statutory Funding Preference:* As provided in Section 791(a) of the Public Health Service Act, preference will be given to any qualified applicant that: (1) has a high rate for placing graduates in practice settings having the principal focus of serving residents of medically underserved communities; or (2) during the two-year period preceding the fiscal year for which such an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. Preference will be given to those new programs that meet at least four of the criteria described in section 791(c)(3) of the Public Health Service Act so that new applicants may compete equitably. This statutory general preference will only be applied to applications that rank above the 20th percentile of applications recommended for approval by the peer review group.

*Administrative Special Consideration:* Special consideration will be given to applicants that propose approaches for enhancing current and/or developing new educational opportunities using distance learning methodologies, with the goal of improving access to primary health care for medically and/or dentally underserved communities and/or underserved populations or other high risk groups.

*Estimated Amount of This Competition:* $160,000.

*Estimated Number of Awards To Be Made:* 1.

*Estimated Project Period:* 2 years.

HRSA 03–004 Podiatric Residency Training in Primary Care* (PODPC)

*Application Availability Date:* August 12, 2002.

*Application Deadline:* September 30, 2002.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Shelby Biedenkapp.

*Phone Number:* (301) 443–1467.

*E-mail address:* sbiedenkapp@hrsa.gov.

HRSA 03–005 Basic Nurse Education and Practice Grants (BNEP)

*Legislative Authority:* Public Health Service Act, Title VIII, Section 831, 42 U.S.C. 296p.

*CFDA Number:* 93.359.

*Purpose:* Grants are awarded to enhance the educational mix and utilization of the basic nursing workforce by strengthening programs that provide basic nurse education, such as through: (1) Establishing or expanding nursing practice arrangements in non-institutional settings to demonstrate methods to improve access to primary health care in medically underserved communities; (2) providing care for underserved populations and other high-risk groups such as the elderly, individuals with HIV/AIDS, substance abusers, the homeless, and victims of domestic violence; (3) providing managed care, quality improvement, and other skills needed to practice in existing and emerging organized health care systems; (4) developing cultural competencies among nurses; (5) expanding enrollment in baccalaureate nursing programs; (6) promoting career mobility for nursing personnel in a variety of training settings and cross-training or specialty training among diverse population groups; or (7) providing education for informatics, including distance learning methodologies.

*Eligibility:* Eligible applicants for purpose (1) are schools of nursing. Eligible applicants for purpose (5) are

collegiate schools of nursing. Eligible applicants for purposes (2), (3), (4), (6) and (7) are schools of nursing; nursing centers; academic health centers; state or local governments, and other appropriate public or private nonprofit entities, including faith-based organizations and community-based organizations.

*Funding Priorities or Preferences:* As provided in section 805 of the Public Health Service Act, as amended, preference will be given to applicants with projects that will substantially benefit rural or underserved populations, or help meet public health nursing needs in state or local health departments.

*Administrative Funding Priority:* In making awards under purpose 1 (establishing or expanding nursing practice arrangements in non-institutional settings to demonstrate methods to improve access to primary health care in medically underserved communities) a funding priority will be given to those schools of nursing who have not received support for Nurse Practice Arrangements under 1992 legislation or the 1998 legislation.

In making awards under purpose 5 (expanding enrollment in baccalaureate nursing programs), a funding priority will be given to those programs expanding enrollment in generic baccalaureate nursing programs.

*Administrative Special Consideration:* Special consideration will be given to applicants that propose collaborative approaches for increasing the number of students in rural and underserved areas who can access educational opportunities through the use of electronic distance learning methodologies.

*Estimated Amount of This Competition:* $3,721,340.

*Estimated Number of Awards To Be Made:* 15.

*Estimated or Average Size of Each Award:* $250,000.

*Estimated Project Period:* 3 years.

HRSA 03–005 Basic Nurse Education and Practice Grants (BNEP)

*Application Availability Date:* September 06, 2002.

*Application Deadline:* December 16, 2002.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Madeline Turkeltaub.

*Phone Number:* (301) 443–6193.

*E-mail: mturkeltaub@hrsa.gov.*

HRSA 03–006 Nurse Anesthetist Traineeships (NATR)

*Legislative Authority:* Public Health Service Act, Title VIII, Section 811, 42 U.S.C. 296j.

*CFDA Number:* 93.124.

*Purpose:* Grants are awarded to eligible institutions for projects that support traineeships for licensed registered nurses enrolled as full-time students beyond the twelfth month of study in a Master's nurse anesthesia program.

*Eligibility:* Eligible applicants are schools of nursing, academic health centers, and other public and private nonprofit entities, including faith-based organizations and community-based organizations, which provide registered nurses with full-time nurse anesthetist education and have evidence of earned pre-accreditation or accreditation status from the American Association of Nurse Anesthetists (AANA) Council on Accreditation of Nurse Anesthesia Educational Programs.

*Funding Priorities or Preferences:* As provided in section 805 of the Public Health Service Act, as amended, preference shall be given to applicants with projects that will substantially benefit rural or underserved populations or help meet public health nursing needs in State or local health departments.

*Special Considerations:* Traineeships for individuals in advanced education programs are provided under section 811(a)(2) of the Public Health Service Act, as amended. A statutory special consideration, as provided for in section 811(f)(3) of the Public Health Service Act, as amended, will be given to eligible entities that agree to expend the award to train advanced education nurses who will practice in health professional shortage areas designated under section 332 of the Public Health Service Act, as amended.

*Estimated Amount of This Competition:* $1,000,000.

*Estimated Number of Awards To Be Made:* 71.

*Estimated or Average Size of Each Award:* $14,000.

*Estimated Project Period:* 1 year.

HRSA 03–006 Nurse Anesthetist Traineeships (NATR)

*Application Availability Date:* September 6, 2002.

*Application Deadline:* November 15, 2002.

*Projected Award Date:* March 28, 2003.

*Program Contact Person:* Karen D. Breeden.

*Phone Number:* (301) 443–5787.

*E-mail: KBreeden@hrsa.gov.*

HRSA 03–007 Advanced Education Nursing Traineeships (AENT)

*Legislative Authority:* Public Health Service Act, Title VIII, Section 811, 42 U.S.C. 296j.

*CFDA Number:* 93.358.

*Purpose:* Grants are awarded to eligible institutions to meet the cost of traineeships for individuals in advanced nursing education programs. Traineeships are awarded to individuals by participating educational institutions offering Masters and doctoral degree programs, combined RN to Masters degree programs, post-nursing Masters certificate programs, or in the case of nurse midwives, certificate programs in existence on November 12, 1998 to serve as nurse practitioners, clinical nurse specialists, nurse midwives, nurse anesthetists, nurse educators, nurse administrators or public health nurses.

*Eligibility:* Eligible applicants are schools of nursing, academic health centers, and other appropriate public or private nonprofit entities, including faith-based organizations and community-based organizations.

*Funding Priorities or Preferences:* As provided in section 805 of the Public Health Service Act, as amended, preference shall be given to applicants with projects that will substantially benefit rural or underserved populations or help meet public health nursing needs in State or local health departments.

*Special Considerations:* Traineeships for individuals in advanced education programs are provided under section 811(a)(2) of the Public Health Service Act, as amended. A statutory special consideration, as provided for in section 811(f)(3) of the Public Health Service Act, as amended, will be given to eligible entities that agree to expend the award to train advanced education nurses who will practice in health professional shortage areas designated under section 332 of the Public Health Service Act, as amended.

*Estimated Amount of This Competition:* $18,600,000.

*Estimated Number of Awards To Be Made:* 325.

*Estimated or Average Size of Each Award:* Up to $300,000.

*Estimated Project Period:* 1 year.

HRSA 03–007 Advanced Education Nursing Traineeships (AENT)

*Application Availability Date:* September 6, 2002.

*Application Deadline:* November 15, 2002.

*Projected Award Date:* March 28, 2003.

*Program Contact Person:* Karen D. Breeden.

*Phone Number:* (301) 443–5787.

*E-mail: Kbreeden@hrsa.gov.*

HRSA 03–008 Nursing Workforce Diversity Grants (NWD)

*Legislative Authority:* Public Health Service Act, Title VIII, Section 821, 42 U.S.C. 296m.

*CFDA Number:* 93.178.

*Purpose:* Grants are awarded to increase nursing education opportunities for individuals from disadvantaged backgrounds (including racial and ethnic minorities underrepresented among registered nurses) by providing student scholarships or stipends, pre-entry preparation, and retention activities.

*Eligibility:* Eligible applicants are schools of nursing, nursing centers, academic health centers, State or local governments, and other public or private nonprofit entities, including faith-based organizations and community-based organizations.

*Funding Priorities or Preferences:* As provided in section 805 of the Public Health Service Act, as amended, preference will be given to applicants with projects that will substantially benefit rural or underserved populations, or help meet public health nursing needs in State or local health departments.

*Administrative Special Consideration:* Special consideration will be given to applicants that propose collaborative approaches for increasing the number of students in rural and underserved areas who can access educational opportunities through the use of electronic distance learning methodologies.

*Estimated Amount of This Competition:* $1,579,000.

*Estimated Number of Awards to be Made:* 7.

*Estimated or Average Size of Each Award:* $225,000.

*Estimated Project Period:* 3 years.

HRSA 03–008 Nursing Workforce Diversity Grants (NWD)

*Application Availability Date:* September 6, 2002.

*Application Deadline:* December 6, 2002.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Ernell Spratley.

*Phone Number:* (301) 443–5763.

*E-mail: espratley@hrsa.gov.*

HRSA 03–009 Advanced Education Nursing Grants (AENP)

*Legislative Authority:* Public Health Service Act, Title VIII, Section 811, 42 U.S.C. 296j.

*CFDA Number:* 93.247.

*Purpose:* Grants are awarded to eligible institutions for projects that support the enhancement of advanced nursing education and practice. For the purpose of this section, advanced education nurses means individuals trained in advanced degree programs including individuals in combined RN to Master's degree programs, post-nursing Master's certificate programs, or in the case of nurse-midwives, in certificate programs in existence on November 12, 1998, to serve as nurse practitioners, clinical nurse specialists, nurse midwives, nurse anesthetists, nurse educators, nurse administrators or public health nurses.

*Eligibility:* Eligible applicants are schools of nursing, academic health centers, and other appropriate public or private nonprofit entities, including faith-based organizations and community-based organizations.

*Funding Priorities or Preferences:* As provided in section 805 of the Public Health Service Act, as amended, preference shall be given to applicants with projects that will substantially benefit rural or underserved populations or help meet public health nursing needs in State or local health departments.

*Administrative Special Consideration:* Special consideration will be given to applicants that propose collaborative approaches for increasing the number of students in rural and underserved areas who can access educational opportunities through the use of electronic distance learning methodologies.

*Estimated Amount of This Competition:* $20,059,000.

*Estimated Number of Awards To Be Made:* 80.

*Estimated or Average Size of Each Award:* $250,000.

*Estimated Project Period:* 3 years.

HRSA 03–009 Advanced Education Nursing Grants (AENP)

*Application Availability Date:* September 6, 2002.

*Application Deadline:* December 13, 2002.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Irene Sandvold.

*Phone Number:* (301) 443–6333.

*E-mail: isandvold@hrsa.gov.*

HRSA 03–010 Geriatric Nursing Knowledge and Experiences in Long Term Care Facilities for Nursing Students (BNEP)

*Legislative Authority:* Public Health Service Act, Title VIII, Section 831,42 U.S.C. 296p.

*CFDA Number:* 93.359.

*Purpose:* The purpose of this initiative is to assist eligible entities to strengthen the geriatric nursing didactic content and clinical components of their baccalaureate nursing programs. Funds will be awarded to plan, implement and evaluate geriatric nursing experiences that, through planned partnerships with geriatric long-term care or assisted living facilities, expose senior nursing students to: (1) Increased course content in geriatric nursing and concepts of age-sensitive caring; (2) application of this content to geriatric patients with chronic illness residing in long term care, including assisted living facilities; and (3) use of assessment skills in the setting selected in order to accurately complete appropriate assessments using standardized tools such as the Minimum Data Set (MDS) required by Medicare regulations.

*Eligibility:* Schools of nursing are eligible. Applications from schools of nursing with currently funded projects in this category will not be accepted for review.

*Funding Priorities or Preferences:* As provided in section 805 of the Public Health Service Act, as amended, preference will be given to applicants with projects that will substantially benefit rural or underserved populations, or help meet public health nursing needs in State or local health departments.

*Administrative Special Consideration:* Special consideration will be given to applicants that propose collaborative approaches for increasing the number of students in rural and underserved areas who can access educational opportunities through the use of electronic distance learning methodologies.

*Estimated Amount of This Competition:* $250,000.

*Estimated Number of Awards To Be Made:* 10.

*Estimated or Average Size of Each Award:* $25,000.

*Estimated Project Period:* 1 year.

HRSA 03–010 Geriatric Nursing Knowledge and Experiences in Long Term Care Facilities for Nursing Students (BNEP)

*Application Availability Date:* August 9, 2002.

*Application Deadline:* November 4, 2002.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Madeline Turkeltaub.

*Phone Number:* (301) 443–6193.

*E-mail:* mturkeltaub@hrsa.gov.

HRSA 03–011 Health Careers Opportunity Program* (HCOP)

*Legislative Authority:* Section 739 of The Public Health Service Act, 42 U.S.C. 293c.

*CFDA Number:* 93.822.

*Purpose:* The goal of the Health Careers Opportunity Program (HCOP) is to assist individuals from disadvantaged backgrounds to undertake education to enter a health profession. The HCOP program works to build diversity in the health fields by providing students from disadvantaged backgrounds an opportunity to develop the skills needed to successfully compete, enter, and graduate from health professions schools. The legislative purposes from which HCOP funds may be awarded are: (1) Identifying, recruiting, and selecting individuals from disadvantaged backgrounds for education and training in a health profession; (2) facilitating the entry of such individuals into such a school; (3) providing counseling, mentoring, or other services designed to assist such individuals to complete successfully their education at such a school; (4) providing, for a period prior to the entry of such individuals into the regular course of education of such a school, preliminary education and health research training designed to assist them to complete successfully such regular course of education at such a school, or referring such individuals to institutions providing such preliminary education; (5) publicizing existing sources of financial aid available to students in the education program of such a school or who are undertaking training necessary to qualify them to enroll in such a program; (6) paying scholarships, as the Secretary may determine, for such individuals for any period of health professions education at a health professions school; (7) paying such stipends for such individuals for any period of education in student-enhancement programs (other than regular courses), except that such a stipend may not be provided to an individual for more than 12 months; (8) carrying out programs under which such individuals gain experience regarding a career in a field of primary health care through working at facilities of public or private nonprofit community-based providers of primary health services; (9) conducting activities to develop a larger and more competitive applicant pool through partnerships with institutions of higher education, school districts, and other community-based entities.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Eligible applicants include schools of medicine, osteopathic medicine, public health, dentistry, veterinary medicine, optometry, pharmacy, allied health, chiropractic, podiatric medicine, public or non-profit private schools that offer graduate programs in behavioral and mental health, programs for the training of physician assistants, and other public or private nonprofit health or educational entities, including faith-based organizations and community-based organizations.

*Funding Priorities or Preferences:* A funding preference will be given to approved applications for programs that involve a comprehensive approach by several public or non-profit private health or educational entities to establish, enhance and expand educational programs that will result in the development of a competitive applicant pool of individuals from disadvantaged backgrounds who desire to pursue health professions careers.

*Estimated Amount of This Competition:* $1,580,000.

*Estimated Number of Awards To Be Made:* 5.

*Estimated or Average Size of Each Award:* $316,000.

*Estimated Project Period:* 3 years.

HRSA 03–011 Health Careers Opportunity Program* (HCOP)

*Application Availability Date:* September 6, 2002.

*Application Deadline:* February 24, 2003.

*Projected Award Date:* August 1, 2003.

*Program Contact Person:* Tobey Manns.

*Phone Number:* (301) 443–0909.

*E-mail: tmanns@hrsa.gov.*

HRSA 03–012 Centers of Excellence* (COES)

*Legislative Authority:* Section 736 of The Public Health Service Act, 42 U.S.C. 293.

*CFDA Number:* 93.157.

*Purpose:* The goal of this program is to assist eligible schools in supporting programs of excellence in health professions education for underrepresented minority individuals. The grantee is required to use the funds awarded: (1) To develop a large competitive applicant pool through linkages with institutions of higher education, local school districts, and other community-based entities and establish an education pipeline for health professions careers; (2) to establish, strengthen, or expand programs to enhance the academic performance of underrepresented minority students attending the school; (3) to improve the capacity of such schools to train, recruit, and retain underrepresented minority faculty including the payment of stipends and fellowships; (4) to carry out activities to improve the information resources, clinical education, curricula and cultural competence of the graduates of the schools as it relates to minority health issues; (5) to facilitate faculty and student research on health issues particularly affecting underrepresented minority groups, including research on issues relating to the delivery of health care; (6) to carry out a program to train students of the school in providing health services to a significant number of underrepresented minority individuals through training provided to such students at community-based health facilities that provide such health services and are located at a site remote from the main site of the teaching facilities of the school; and (7) to provide stipends as appropriate.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Eligible applicants are accredited schools of allopathic medicine, osteopathic medicine, dentistry, pharmacy, graduate programs in behavioral or mental health, or other public and nonprofit health or educational entities, including faith-based organizations and community-based organizations, that meet the requirements of section 736(c) of the Public Health Service Act, as amended. Historically Black Colleges and Universities, as described in section 736(c)(2)(A) of the Public Health Service Act, as amended, and which received a contract under former section 788B of The Public Health Service Act (Advanced Financial Distress Assistance) for fiscal year 1987 may apply for Centers of Excellence (COE) grants under section 736 of the Public Health Service Act, as amended.

*Administrative Special Consideration:* Special consideration will be given to applicants that propose to develop educational approaches to increasing the knowledge base of trainees regarding minority health issues and/or cultural competence through the use of distance learning methodologies.

*Estimated Amount of This Competition:* $15,670,000.

*Estimated Number of Awards To Be Made:* 10.

*Estimated or Average Size of Each Award:* $640,000 (this does not include the legislatively mandated awards).

*Estimated Project Period:* 3 years.

HRSA 03–012 Centers of Excellence* (COES)

*Application Availability Date:* September 6, 2002.

*Application Deadline:* January 17, 2003.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Daniel Reed.

*Phone Number:* (301) 443–2982.

*E-mail: dreed1@hrsa.gov.*

HRSA 03–013 Basic/Core Area Health Education Centers* (BAHEC)

*Legislative Authority:* Public Health Service Act, Title VII, Section 751, 42 U.S.C. 294a, Section 750(a), 42 U.S.C. 294.

*CFDA Number:* 93.824.

*Purpose:* Cooperative agreements are awarded to assist schools to improve the distribution, diversity, supply, and quality of health personnel in the health services delivery system by encouraging the regionalization of health professions schools. Emphasis is placed on community-based training of primary care oriented students, residents, and providers. The Area Health Education Centers (AHEC) program assists schools in the planning, development, and operation of AHECs to initiate education system incentives to attract and retain health care personnel in scarcity areas. By linking the academic resources of the university health sciences center with local planning, educational, and clinical resources, the AHEC program establishes a network of community-based training sites to provide educational services to students, faculty, and practitioners in underserved areas, and ultimately to improve the delivery of health care in the service area. The program embraces the goal of increasing the number of health professions graduates who ultimately will practice in underserved areas. In addition, the program provides health careers recruitment enhancement activities to attract high school students from underserved areas into health careers.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Federal Involvement:* Substantial Federal involvement will be detailed in the application materials.

*Eligibility:* The types of entities eligible to apply for this program are public or private nonprofit accredited schools of medicine and osteopathic medicine and incorporated consortia made up of such schools, or the parent institutions of such schools. Also, in States where no AHEC program is in operation (the states of Delaware, Iowa, Kansas, Michigan, North Dakota, South Dakota, Rhode Island, and Puerto Rico), an accredited school of nursing is an eligible applicant.

*Statutory Funding Preference:* As provided in section 791 (a) of the Public Health Service Act, as amended, preference will be given to any qualified applicant that: (1) has a high rate for placing graduates in practice settings having the principal focus of serving residents of medically underserved communities; or (2) during the 2-year period preceding the fiscal year for which an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. This statutory general preference will only be applied to applications that rank above the 20th percentile of applications recommended for approval by the peer review group. Funds will be awarded to approved applicants in the following order: (1) Competing continuations, (2) new starts in States with no AHEC program, (3) other new starts, and (4) competing supplements.

*Administrative Special Considerations:* Special consideration will be given to qualified applicants who support the Bureau of Health Professions Bureau of Health Professions' Kids Into Health Careers initiative by establishing linkages with one or more elementary, middle, or high schools with a high percentage of minority and disadvantaged students to: (1) Inform students and parents about health careers and financial aid to encourage interest in health careers; (2) promote rigorous academic course work to prepare for health professions training; or (3) provide support services such as mentoring, tutoring, counseling, after school programs, summer enrichment, and college visits. More information can be found at: *http://www.hrsa.gov/bhpr*.

Special consideration will also be given to applicants who (a) develop new and innovative approaches to education and training using distance learning methodologies/telehealth, or (b) enhance or expand existing distance learning educational programs with the purpose of preparing health professionals and health professional students to deliver quality health care in medically underserved communities.

*Review Criteria:* Final review criteria are included in the application kit.

*Matching Requirements:* Awardees shall make available (directly through contributions from State, county or municipal government, or the private sector) non-Federal contributions in cash in an amount not less than 50 percent of the operating costs of the AHEC Program. However, the Secretary may grant a waiver for up to 75 percent of the amount required in the first 3 years in which an awardee receives funds for this program. These funds must be for the express use of the AHEC Programs and Centers to address AHEC project goals and objectives.

*Estimated Amount of This Competition:* $8 million.

*Estimated Number of Awards:* 9.

*Estimated or Average Size of Each Award:* $900,000.

*Estimated Project Period:* 3 years.

HRSA 03–013 Basic/Core Area Health Education Centers* (BAHEC)

*Application Availability Date:* August 26, 2002.

*Application Deadline:* November 25, 2002.

*Projected Award Date:* August 29, 2003.

*Program Contact Person:* Louis D. Coccodrilli.

*Phone Number:* (301) 443–6950.

*E-mail: lcoccodrilli@hrsa.gov.*

HRSA 03–014 Model State-Supported Area Health Education Centers* (MAHEC)

*Legislative Authority:* Public Health Service Act, Title VII, Section 751, 42 U.S.C. 294a.

*CFDA Number:* 93.107.

*Purpose:* This program awards funds to schools to improve the distribution, diversity, supply, and quality of health personnel in the health services delivery system by encouraging the regionalization of health professions schools. Emphasis is placed on community-based training of primary care oriented students, residents, and providers. The Area Health Education Centers (AHEC) program assists schools in the development and operation of AHECs to implement educational system incentives to attract and retain health care personnel in scarcity areas. By linking the academic resources of the university health science center with local planning, educational, and clinical resources, the AHEC program establishes a network of health-related institutions to provide educational services to students, faculty, and practitioners, and ultimately to improve the delivery of health care in the service area. The program embraces the goal of increasing the number of health professions graduates who ultimately

will practice in underserved areas. In addition, the program provides health careers recruitment enhancement activities to attract high school students from underserved areas into health careers. The AHEC programs are collaborative partnerships, which address current health workforce needs within a region of a State or in an entire State.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Matching or Cost Sharing Requirements:* Awardees shall make available (directly or through contributions from State, county or municipal governments, or the private sector) recurring non-Federal contributions in cash in an amount not less than 50 percent of the operating costs of the Model State-Supported AHEC program.

*Eligibility:* The entities eligible to apply for this program are public or private nonprofit accredited schools of medicine and osteopathic medicine and incorporated consortia made up of such schools or the parent institutions of such schools. Applicants must have previously received funds, but are no longer receiving funds under section 751 (a)(1) of the Public Health Service Act, as amended, and be operating an AHEC program.

*Statutory Funding Preference:* As provided in section 791 (a) of the Public Health Service Act, as amended, preference will be given to any qualified applicant that: (1) has a high rate for placing graduates in practice settings having the principal focus of serving residents of medically underserved communities; or (2) during the 2-year period preceding the fiscal year for which an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. This statutory general preference will only be applied to applications that rank above the 20th percentile of applications recommended for approval by the peer review group.

*Administrative Special Considerations:* Special consideration will be given to qualified applicants who support the Bureau of Health Professions' Kids Into Health Careers initiative by establishing linkages with one or more elementary, middle, or high schools with a high percentage of minority and disadvantaged students to: (1) Inform students and parents about health careers and financial aid to encourage interest in health careers; (2) promote rigorous academic course work to prepare for health professions training; or (3) provide support services such as mentoring, tutoring, counseling, after school programs, summer enrichment, and college visits. More information can be found at http://www.hrsa.gov/bhpr.

Special consideration will also be given to applicants who (a) develop new and innovative approaches to education and training using distance learning methodologies/telehealth, or (b) enhance or expand existing distance learning educational programs with the purpose of preparing health professionals and health professional students to deliver quality health care in medically underserved communities.

*Review Criteria:* Final review criteria are included in the application kit.

*Estimated Amount of This Competition:* $5.7 million.

*Estimated Number of Awards:* 9.

*Estimated or Average Size of Each Award:* $650,000.

*Estimated Project Period:* 3 years.

HRSA 03–014 Model State-Supported Area Health Education Centers* (MAHEC)

*Application Availability Date:* August 26, 2002.

*Application Deadline:* November 25, 2002.

*Projected Award Date:* August 29, 2003.

*Program Contact Person:* Louis D. Coccodrilli.

*Phone Number:* (301) 443–6950.

*E-mail:* lcoccodrilli@hrsa.gov.

HRSA 03–015 Health Administration Traineeships and Special Projects* (HATR)

*Legislative Authority:* Public Health Service Act, Title VII, Section 769, 42 U.S.C. 295d.

*CFDA Number:* 93.962.

*Purpose:* Health Administration Traineeship Grants are awarded to eligible entities to provide traineeships for students enrolled in an accredited program in health administration, hospital administration, or health policy analysis and planning. Traineeship funds may be used to support tuition, fees, stipends and allowances including travel, subsistence expenses and dependency allowances. One of the goals of the Health Administration Traineeship Grant program is to encourage students to train and practice in medically underserved areas. It is anticipated that all approved applicants will receive awards.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Eligible applicants are public or non-profit private educational entities, including faith-based entities, graduate schools of social work but excluding accredited schools and programs of public health, offering programs in health administration, hospital administration or health policy analysis and planning accredited by the Accrediting Commission on Education in Health Services Administration.

*Funding Preferences:* In awarding grants under this authority, the Secretary shall give preference to qualified applicants meeting the following conditions:

(1) Not less than 25 percent of the graduates of applicant are engaged in full-time practice settings in medically underserved communities.

(2) The applicant recruits and admits students from medically underserved communities.

(3) For the purpose of training students, the applicant has established relationships with public and nonprofit providers of health care in the community involved; and

(4) In training students, the applicant emphasizes employment with public or nonprofit private entities.

Applicants must assure that, in awarding traineeships, priority will be given to students who demonstrate a commitment to employment with public or nonprofit private entities in health administration, hospital administration, or health policy analysis and planning.

*Special Consideration:* A special consideration will be given to applicants that during the two-year period preceding the fiscal year for which such an award is sought, have a high rate for placing graduates in medically underserved areas.

*Estimated Amount of This Competition:* $1,100,000.

*Estimated Number of Awards To Be Made:* 43.

*Estimated or Average Size of Each Award:* Traineeships awards range from $2,000 up to $65,000.

*Estimated Project Period:* 1 year.

HRSA 03–015 Health Administration Traineeships and Special Projects* (HATR)

*Application Availability Date:* October 1, 2002.

*Application Deadline:* December 11, 2002.

*Projected Award Date:* March 30, 2003.

*Program Contact Person:* Douglas S. Lloyd.
*Phone Number:* (301) 443–6853.
*E-mail: dlloyd@hrsa.gov.*

HRSA 03–016 Public Health Traineeships* (PHTR)

*Legislative Authority:* Public Health Service Act, Title VII, Section 767, 42 U.S.C. 295b.
*CFDA Number:* 93.964.
*Purpose:* Grants are awarded to accredited schools and programs of public health to support traineeships for individuals in fields where there is a severe shortage. Shortage fields are identified by statute and include epidemiology, environmental health, biostatistics, toxicology, nutrition, and maternal and child health.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* An eligible entity is an accredited school of public health, and/or other public or nonprofit private entities, including faith-based organizations and community-based organizations, accredited for the provision of graduate or specialized training in public health.

*Funding Priorities or Preferences:* Funding priority will be given to applicants with students enrolled in graduate degrees in educational fields having a severe shortage of health professionals including epidemiology, emergency preparedness, environmental health, biostatistics, toxicology, nutrition, and maternal and child health. Other public health professional areas may be eligible if a severe local/State/regional shortage is documented by the applicant.

*Estimated Amount of This Competition:* $1, 700,000.
*Estimated Number of Awards To Be Made:* 37.
*Estimated or Average Size of Each Award:* Awards range from $10,000 to $165,000.
*Estimated Project Period:* 1 year.

HRSA 03–016 Public Health Traineeships* (PHTR)

*Application Availability Date:* October 1, 2002.
*Application Deadline:* December 9, 2002.
*Projected Award Date:* March 31, 2003.
*Program Contact Person:* Douglas S. Lloyd.
*Phone Number:* (301) 443–6853.
*E-mail: dlloyd@hrsa.gov.*

HRSA 03–017 Geriatric Education Centers* (GECS)

*Legislative Authority:* Public Health Service Act, Title VII, section 753(a), 42 U.S.C. 294c.
*CFDA Number:* 93.969.
*Purpose:* Grants are given to support the development of collaborative arrangements involving several health professions schools and health care facilities. These arrangements, called Geriatric Education Centers (GECs), facilitate training of health professional faculty, students, and practitioners in the diagnosis, treatment, prevention of disease, disability, and other health problems of the aged. Projects supported under these grants must offer training involving four or more health professions, one of which must be allopathic or osteopathic medicine. Health professions include allopathic physicians, osteopathic physicians, dentists, optometrists, podiatrists, pharmacists, nurses, nurse practitioners, physician assistants, chiropractors, clinical psychologists, health administrators, and allied health professionals including professional counselors and social workers. These projects must address all of the following statutory purposes: (1) Improve the training of health professionals in geriatrics, including geriatric residencies, traineeships or fellowships; (2) develop and disseminate curricula relating to the treatment of the health problems of elderly individuals; (3) support the training and retraining of faculty to provide instruction in geriatrics; (4) support continuing education of health professionals who provide geriatric care; and (5) provide students with clinical training in geriatrics in nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Grants may be made to accredited health professions schools as defined by section 799B(1), (3) or (4) and section 801(2) of The Public Health Service Act. These include, among others: schools of medicine; schools of dentistry; schools of osteopathic medicine; schools of pharmacy; schools of optometry; schools of podiatric medicine; schools of veterinary medicine; schools of public health; schools of chiropractic; graduate programs in clinical psychology, clinical social work, health administration, and behavioral health and mental health practice; programs for the training of physician assistants; schools of allied health; and schools of nursing.

Applicants must be located in the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, the Republic of Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia.

*Funding Priorities and/or Preferences:* As provided in section 791(a) of the Public Health Service Act, as amended, preference will be given to any qualified applicant that: (1) Has a high rate for placing graduates in practice settings having the focus of serving residents of medically underserved communities or (2) during the 2-year period preceding the fiscal year for which such an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. This statutory general preference will only be applied to applications that rank above the 20th percentile of applications recommended for approval by the peer review group.

So that new applicants may compete equitably, a preference will be given to those new programs that meet at least four of the criteria described in section 791(c)(3) of The Public Health Service Act, as amended, concerning medically underserved communities and populations.

A funding priority will be given to qualified applicants who devote significant resources to support the training and retraining of faculty to provide instruction in geriatrics.

*Administrative Special Consideration:* Special consideration will be given to applicants who (a) develop new and innovative approaches to education and training using distance learning methodologies/telehealth, or (b) enhance or expand existing distance learning educational programs with the purpose of preparing health professionals and health professional students to deliver quality health care in medically underserved communities.

*Review Criteria:* Review criteria are included in the application kit.

*Estimated Amount of This Competition:* $3,000,000.
*Estimated Number of Awards:* 9.
*Estimated or Average Size of Each Award:* $200,000 for single applications and $400,000 for consortium applications.

*Estimated Project Period:* 5 years.

HRSA 03–017 Geriatric Education Centers* (GECS)

*Application Availability Date:* October 21, 2002.

*Application Deadline:* January 27, 2003.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Barbara Broome.

*Phone Number:* (301) 443–6866.

*E-mail:* bbroome@hrsa.gov.

HRSA 03–018 Geriatric Training for Physicians, Dentists, and Behavioral and Mental Health Professionals* (GTPD)

*Legislative Authority:* Public Health Service Act, Title VII, Section 753(b), 42 USC 294c.

*CFDA Number:* 93.156.

*Purpose:* The purpose of this program is to increase the number of physicians, dentists, and behavioral and mental health professionals who plan to teach geriatric medicine, geriatric dentistry, or geriatric behavioral and mental health. Supported programs provide training in geriatrics and exposure to the physical and mental disabilities of elderly individuals through a variety of service rotations such as geriatric consultation services, acute care services, dental services, geriatric behavioral and/or mental health units, day and home care programs, rehabilitation services, extended care facilities, geriatric ambulatory care and comprehensive evaluation units, and community care programs for elderly mentally retarded individuals. Programs emphasize the principles of primary care as demonstrated through continuity, ambulatory, preventive, and psychosocial aspects of the practice of geriatric medicine, geriatric dentistry, and geriatric behavioral and mental health. Projects provide training in geriatrics through two-year fellowship programs and/or one-year retraining programs. Learning components for two-year fellows include clinical, research, administration, and teaching. A minimum of three fellows—one from each discipline—is required each year of the award.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Schools of medicine, schools of osteopathic medicine, teaching hospitals, and graduate medical education programs.

*Funding Priorities and/or Preferences:*

*Statutory Funding Preferences:* As provided in section 791(a) of the Public Health Service Act, as amended, preference will be given to any qualified applicant that: (A) has a high rate for placing graduates in practice settings having the focus of serving residents of medically underserved communities or (B) during the two-year period preceding the fiscal year for which such an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. This statutory general preference will be applied to only those applications that rank above the 20th percentile of the applications recommended for approval by the peer review group.

So that new applicants may compete equitably, a preference will be given to those new programs that meet at least four of the criteria described in section 791(c)(3) of the Public Health Service Act, as amended, concerning medically underserved communities and populations.

*Administrative Special Consideration:* Special consideration will be given to applicants who (a) develop new and innovative approaches to education and training using distance learning methodologies/telehealth, or (b) enhance or expand existing distance learning educational programs with the purpose of preparing health professionals and health professional students to deliver quality health care in medically underserved communities.

*Estimated Amount of This Competition:* $2,000,000.

*Estimated Number of Awards:* 5.

*Estimated or Average Size of Each Award:* $400,000.

*Estimated Project Period:* 5 years.

HRSA 03–018 Geriatric Training for Physicians, Dentists, and Behavioral and Mental Health Professionals* (GTPD)

*Application Availability Date:* August 12, 2002.

*Application Deadline:* December 16, 2002.

*Project Award Date:* June 30, 2003.

*Program Contact Person:* Kathleen Bond.

*Phone Number:* (301) 443–8681.

*E-mail: kbond@hrsa.gov.*

HRSA 03–019 Geriatric Academic Career Awards* (GACA)

*Legislative Authority:* Public Health Service Act, Title VII, Section 753(c), 42 U.S.C. 294c.

*CFDA Number:* 93.250.

*Purpose:* The purpose of this program is to increase the number of junior faculty in geriatrics at accredited schools of medicine and osteopathic medicine and to promote their careers as academic geriatricians. Award recipients must serve as members of the faculties of accredited schools of allopathic or osteopathic medicine providing teaching services, according to the service requirements under this award, for up to 5 years. Prior to submitting an application for the Geriatric Academic Career Award, individuals must have an agreement with an eligible school setting forth the terms and conditions of the award. The agreement with the school must permit the individual to serve as a full-time (as determined by the school) member of the faculty, for not less than the period of the award. As provided in section 753 (c)(5) of the Public Health Service Act, as amended, an individual who receives an award shall provide training in clinical geriatrics, including the training of interdisciplinary teams of health care professionals. The provision of such training shall constitute at least 75 percent of the obligations of the individual under this award. Geriatric Academic Career Awards are made directly to individuals, not institutions.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Geriatric Academic Career Awards are provided for individuals who meet the following criteria: (1) Are board certified or board eligible in internal medicine, family practice, or psychiatry; (2) have completed an approved fellowship program in geriatrics; and (3) have a junior faculty appointment at an accredited school of medicine (allopathic or osteopathic).

*Review Criteria:* Review criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,000,000.

*Estimated Number of Awards:* 20.

*Estimated or Average Size of Each Award:* $50,000.

*Estimated Project Period:* 5 years.

HRSA 03–019 Geriatric Academic Career Awards* (GACA)

*Application Availability Date:* November 4, 2002.

*Application Deadline:* February 3, 2003.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Kathleen Bond.

*Phone Number:* (301) 443–8681.

*E-mail: kbond@hrsa.gov.*

HRSA 03–020 Quentin N. Burdick Program for Rural Interdisciplinary Training* (QBRH)

*Legislative Authority:* Public Health Service Act, Title VII, Section 754, 42 U.S.C. 294d, Section 750(a), 42 U.S.C. 294.

*CFDA Number:* 93.192.

*Purpose:* The goal of this program is to support the education and training of health professions students in rural underserved communities and to improve access to health care in rural areas. In an effort to address the rural health professions workforce needs, this program provides funding for student stipends and for interdisciplinary training projects designed to: (1) Use new and innovative methods to train health care practitioners to provide services in rural areas; (2) demonstrate and evaluate innovative interdisciplinary methods and models designed to provide access to cost-effective comprehensive health care; (3) deliver health care services to individuals residing in rural areas; (4) enhance the amount of relevant research conducted concerning health care issues in rural areas; and (5) increase the recruitment and retention of health care practitioners in rural areas and make rural practice a more attractive career choice for health care practitioners.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Applications will be accepted from health professions schools, academic health centers, State or local governments, or other appropriate public or private nonprofit entities, including faith-based organizations and community-based organizations, for funding and participation in health professions and nursing training activities. Applications must be jointly submitted by at least two eligible applicants with the express purpose of assisting individuals in academic institutions in establishing long-term collaborative relationships with health care providers in rural areas. Applicants must designate a rural health care agency or agencies for clinical treatment or training including hospitals, community health centers, migrant health centers, rural health clinics, community behavioral and mental health centers, long-term care facilities, Native Hawaiian health centers or facilities operated by the Indian Health Service or an Indian tribe or tribal organization or Indian organization under a contract with the Indian Health Service under the Indian Self-Determination Act.

*Statutory Funding Preference:* As provided in section 791(a) of the Public Health Service Act, as amended, preference will be given to any qualified applicant that: (1) has a high rate for placing graduates in practice settings having the principal focus of serving residents of medically underserved communities; or (2) during the 2-year period preceding the fiscal year for which such an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. This statutory general preference will only be applied to applications that rank above the 20th percentile of applications recommended for approval by the peer review group.

So that new applicants may compete equitably, a preference will be given to those new programs that meet at least four of the criteria described in section 791(c)(3) of The Public Health Service Act, as amended, concerning medically underserved communities and populations.

A funding priority will be given to qualified applicants who devote significant resources to educate and train health professionals in rural areas experiencing shortages in geriatrics, oral health, and/or mental health.

*Administrative Special Consideration:* Special consideration will be given to applicants who (a) develop new and innovative approaches to education and training using distance learning methodologies/telehealth, or (b) enhance or expand existing distance learning educational programs with the purpose of preparing health professionals and health professional students to deliver quality health care in medically underserved communities.

*Review Criteria:* Review criteria are included in the application kit.

*Estimated Amount of This Competition:* $3,000,000.

*Estimated Number of Awards:* 13.

*Estimated or Average Size of Each Award:* $225,000.

*Estimated Project Period:* 3 years.

HRSA 03–020 Quentin N. Burdick Program for Rural Interdisciplinary Training* (QBRH)

*Application Availability Date:* October 11, 2002.

*Application Deadline:* January 10, 2003.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Marcia Starbecker.

*Phone Number:* (301) 443–6867.

*E-mail: mstarbecker@hrsa.gov.*

HRSA 03–021 Allied Health Projects* (AHPG)

*Legislative Authority:* Public Health Service Act, Title VII, section 755, 42 U.S.C. 294e.

*CFDA Number:* 93.191.

*Purpose:* Grants are awarded to assist eligible entities in meeting the costs associated with expanding or establishing programs that will: (1) Expand enrollments in allied health disciplines that are in short supply or whose services are most needed by the elderly; (2) provide rapid transition training programs in allied health fields to individuals who have baccalaureate degrees in health-related sciences; (3) establish community-based training programs that link academic centers to rural clinical settings; (4) provide career advancement training for practicing allied health professionals; (5) expand or establish clinical training sites for allied health professionals in medically underserved or rural communities in order to increase the number of individuals trained; (6) develop curriculum that will emphasize knowledge and practice in the areas of prevention and health promotion, geriatrics, long-term care, home health and hospice care, and ethics; (7) expand or establish interdisciplinary training programs that promote the effectiveness of allied health practitioners in geriatric assessment and the rehabilitation of the elderly; (8) expand or establish demonstration centers to emphasize innovative models to link allied health, clinical practice, education, and research; and (9) meet the costs of projects to plan, develop, and operate or maintain graduate programs in behavioral and mental health practice.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Eligible entities are health professions schools, academic health centers, State or local governments, or other public or private nonprofit entities, including faith-based organizations and community-based organizations. Eligible academic institutions are also required to use funds in collaboration with two or more disciplines.

*Funding Priorities and/or Preferences:* As provided in section 791(a) of the Public Health Service Act, as amended,

preference will be given to any qualified applicant that: (1) has a high rate for placing graduates in practice settings having the focus of serving residents of medically underserved communities; or (2) during the 2-year period preceding the fiscal year for which such an award is sought, has achieved a significant increase in the rate of placing graduates in such settings. This statutory general preference will only be applied to applications that rank above the 20th percentile of applications recommended for approval by the peer review group.

A preference will be given to those new programs that meet at least four of the criteria described in section 791(c)(3) of the Public Health Service Act, as amended, concerning medically underserved communities and populations so that new applicants may also compete equitably.

A funding priority will be given to qualified applicants who devote significant resources to provide community-based training experiences designed to improve access to health care services in underserved areas; these applicants include Asian-American and Pacific Islander Serving Institutions, Hispanic Serving Institutions, Historically Black Colleges and Universities, Tribal Colleges, and Universities serving American Indians and Alaska Natives, or an institution that collaborates with one or more of the above listed institutions (President's Executive Orders 12876, 12900, 13021, and 13125); or who educate and train allied health professionals experiencing shortage in the areas of medical technology, cytotechnology, genetic counseling and/or emergency preparedness.

*Administrative Special Consideration:* Special consideration will be given to applicants who (a) develop new and innovative approaches to education and training using distance learning methodologies/telehealth, or (b) enhance or expand existing distance learning educational programs with the purpose of preparing health professionals and health professional students to deliver quality health care in medically underserved communities.

*Review Criteria:* Review criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,500,000.

*Estimated Number of Awards:* 13.

*Estimated or Average Size of Each Award:* $115,000.

*Estimated Project Period:* 3 years.

HRSA 03–021 Allied Health Projects* (AHPG)

*Application Availability Date:* October 11, 2002.

*Application Deadline:* January 13, 2003.

*Projected Award Date:* June 30, 2003.

*Program Contact Person:* Young Song.

*Phone Number:* (301) 443–3353.

*E-mail: ysong@hrsa.gov.*

HRSA 03–022 Chiropractic Demonstration Project Grants* (CHIRO)

*Legislative Authority:* Public Health Service Act, Title VII, section 755(b)(3), 42 U.S.C. 294e, Section 750(a), 42 U.S.C. 294.

*CFDA Number:* 93.212.

*Purpose:* Grants are awarded to carry out demonstration projects in which chiropractors and physicians collaborate to identify and provide effective treatment for spinal and lower-back conditions. Among other requirements, the project must: (1) Address the identification and treatment of spinal and/or lower-back conditions; (2) be founded on collaborative efforts between chiropractors and allopathic or osteopathic physicians; (3) include a strong research protocol which will result in a significant expansion of documented research in the area addressed and which is suitable for publication in referred health professions journals, including research oriented publications; (4) include an explicit strategy for case-finding and a strategy for making direct comparisons to other forms of treatment. The results must be generalizable to patients cared for in clinical practices addressing spinal and/or lower-back conditions; and (5) include, whenever feasible, minorities and women in study populations so that research findings can be of benefit to all persons at risk of the disease, disorder, or condition under study.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Eligible entities are accredited health professions schools, academic health centers, State or local governments, other appropriate public or private nonprofit entities, including faith-based organizations and community-based organizations, or public or private nonprofit accredited schools of chiropractic.

*Funding Preferences and/or Priorities:* A funding priority will be given to qualified applicants who devote significant project resources to research in geriatrics.

*Review Criteria:* Review criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,050,000.

*Estimated Number of Awards:* 3 awards.

*Estimated or Average Size of Each Award:* $325,000.

*Estimated Project Period:* 3 years.

HRSA 03–022 Chiropractic Demonstration Project Grants* (CHIRO)

*Application Availability Date:* November 18, 2002.

*Application Deadline:* March 31, 2003.

*Projected Award Date:* August 29, 2003.

*Program Contact Person:* Jennifer Hannah.

*Phone Number:* (301) 443–0908.

*E-mail: jhannah@hrsa.gov.*

HRSA 03–023 Grants to States for Loan Repayment Programs (SLRP)

*Legislative Authority:* Public Health Service Act, Title III, Section 338I, 42 U.S.C., 254q–1.

*CFDA Number:* 93.165.

*Purpose:* The purpose of these grant funds is to assist States in operating programs for the repayment of educational loans of health professionals in return for their practice in Federally-designated health professional shortage areas to increase the availability of primary health services in such areas.

*Matching or Cost Sharing Requirement:* States seeking support must provide assurance that, with respect to costs of making loan repayments under contracts with health professionals, the State will make available (directly or through donations from public or private entities) non-Federal contributions in cash in an amount equal to no less than $1 for $1 of Federal funds provided in grants. In determining the amount of non-Federal contributions in cash that a State has to provide, no Federal funds may be used in the State's match.

*Eligibility:* All 50 States are eligible to apply for funding. The program administered by the grant must be administered by a State agency.

*Estimated Amount of This Competition:* $4,100,000.

*Estimated Number of Awards To Be Made:* 21.

*Estimated or Average Size of Each Award:* $200,000.

*Estimated Project Period:* 3 years.

HRSA 03–023 Grants to States for Loan Repayment Programs (SLRP)

*Application Availability Date:* April 1, 2003.

*Application Deadline:* May 15, 2003.

*Projected Award Date:* August 29, 2003.

*Program Contact Person:* Mildred Brooks-McDow.

*Phone Number:* (301) 443–6889.

*E-mail: mbrooks-mcdow@hrsa.gov.*

HRSA 03–024 Cooperative Agreement for a Regional Center for Health Workforce Studies* (RCHWS)

*Legislative Authority:* Public Health Service Act, Title VII, Section 761.

*CFDA Number:* 93.300.

*Purpose:* The purpose of this Cooperative Agreement is to support health workforce research, analysis and technical assistance with a State, regional and national focus. In addition to covering specific health workforce disciplines, the Regional Center will conduct research on the crosscutting, topical areas of distribution, diversity, genetics, and geriatrics. The Regional Center may also conduct research on health workforce issues related to border, mental and oral health, cultural competence, and the impact of health workforce development on the access to, or financing of, a State's or region's health care system.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Federal Involvement:* Federal involvement will be detailed in the application materials.

*Matching or Cost Sharing Requirement:* The award recipient institution must share in the cost of the program as follows: For each year funds are awarded under this program, the matching contribution shall be at least one-third of the amount of the Federal award for that year. Up to 50 percent of the recipient's matching contribution may be in the form of in-kind donations such as faculty time, staff time, use of computers and other shared resources.

*Eligibility:* Eligible applicants are State or local governments, health professions schools, schools of nursing, academic health centers, community-based health facilities, and other appropriate public or private nonprofit entities, including faith-based organizations and community-based organizations.

*Funding Priorities or Preferences:* Because the Regional Center will have a strong regional component, the Bureau of Health Professions will consider the regional location and focus of the Center selected to ensure that the geographic distribution of all of the Centers will achieve maximum geographic coverage of the nation. Currently, there are five Regional Centers covering all regional areas of the country except the Southeast region. Therefore, applications are being accepted for a Regional Center only in the Southeast.

For purposes of this competition, the geographic area covered by the Southeast is HRSA Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee). For a map and description of the HRSA Regions, *see* HRSA's Web site at: *http://bhpr.hrsa/gov/healthworkforce/fieldoffices.htm.*

*Estimated Amount of this Competition:* $250,000.

*Estimated Number of Awards To Be Made:* 1.

*Estimated or Average Size of Each Award:* $250,000.

*Estimated Project Period:* Up to 3 years.

HRSA 03–024 Cooperative Agreement for a Regional Center for Health Workforce Studies* (RCHWS)

*Application Availability Date:* November 1, 2002.

*Application Deadline:* January 21, 2003.

*Projected Award Date:* March 31, 2003.

*Program Contact Person:* Louis A. Kuta and Sarah Richards.

*Phone Number:* (301) 443–6634 and (301) 443–5452, respectively.

*E-mail: LKuta@HRSA.gov and SRichards@HRSA.gov.*

*Special Programs for Individuals*

HRSA 03–025 NHSC Scholarship Program (NHSCS)

*Legislative Authority:* Public Health Service Act, Title III, Sections 338A and 338C–E, 42 USC 254l and 254m–o.

*CFDA Number:* 93.288.

*Purpose:* The purpose of the National Health Service Corps (NHSC) Scholarship Program is to ensure an adequate supply of physicians, dentists, certified nurse midwives, certified family nurse practitioners, and physician assistants, and, if needed by the NHSC, an adequate supply of other health professionals, to provide primary health services to the populations located in Health Professional Shortage Areas (HPSAs) identified by the Secretary of the Department of Health and Human Services. HPSAs can be found in rural and urban communities across the Nation. The NHSC provides scholarships to health professions students. In return, scholarship recipients agree to provide primary health services in NHSC community sites across the Nation. The NHSC is seeking health professions students who demonstrate interest in serving the Nation's medically underserved populations and remaining in HPSAs beyond their service commitment.

*Eligibility:* At the time of award, the applicant must be a U.S. citizen or national and must (1) be enrolled or accepted for enrollment as a full-time student in an accredited school in a State and in a course of study or program, offered by such school and approved by the Secretary, leading to a degree in medicine, osteopathic medicine, dentistry or other health profession; (2) be eligible for, or hold, an appointment as a Commissioned Officer in the Regular or Reserve Corps of the Public Health Service or be eligible for selection for civilian service in the NHSC; (3) submit an application to participate in the Scholarship Program; and (4) sign and submit to the Secretary at the time of such application, a written contract to accept payment of a scholarship and to serve for the applicable period of obligated service in a HPSA.

*Funding Priorities or Preferences:* Priority will be given (A) first, to applicants who are former recipients of NHSC scholarship support and to former recipients of the Federal Scholarship Program for Students of Exceptional Financial Need, (B) second, to applicants who have characteristics that increase the probability of their continuing to practice in a HPSA after they have completed their service commitment, and (C) third, subject to subparagraph (B), to applicants certified by their school as being from a disadvantaged background.

*Estimated Amount of This Competition:* $55,000,000.

*Estimated Number of Awards To Be made:* 522.

*Estimated or Average Size of Each Award:* FNP/PA/CNM $67,000; Dentists $75,000; MD/DO $135,000.

HRSA 03–025 NHSC Scholarship Program (NHSCS)

*Application Availability Date:* January 7, 2003.

*Application Deadline:* March 28, 2003.

*Projected Award Date:* September 30, 2003.

*Program Contact Person:* Sonya Shorter.

*Phone Number:* (301) 594–4410.

*E-mail: NHSC@HRSA.GOV.*

HRSA 03–026 National Health Service Corps Loan Repayment Program (NHSCL)

*Legislative Authority:* Public Health Service Act, Title III, Sections 338B–E, 42 U.S.C. 254l–1–o.

*CFDA Number:* 93.162.

*Purpose:* The purpose of the National Health Service Corps (NHSC) Loan Repayment Program (LRP) is to ensure an adequate supply of health professionals to provide primary health services (through a culturally competent, interdisciplinary team of clinicians) to populations located in health professional shortage areas (HPSAs) identified by the Secretary of the Department of Health and Human Services. HPSAs can be found in rural and urban communities across the Nation. The NHSC LRP recruits health professionals who agree to provide primary health services in NHSC community sites. In return, the NHSC LRP assists clinicians in their repayment of qualifying educational loans. The NHSC is seeking clinicians who demonstrate interest in serving the Nation's medically underserved populations and remaining in HPSAs beyond their service commitment.

*Eligibility:* An applicant for the NHSC LRP must be a citizen or national of the United States and must (1) (A) have a degree in medicine, osteopathic medicine, dentistry, or other health profession, or be certified as a nurse midwife, nurse practitioner, or physician assistant, (B) be enrolled in an approved graduate training program in medicine, osteopathic medicine, dentistry, behavioral and mental health, or other health profession, or (C) be enrolled as a full-time student in an accredited educational institution in a State, and in the final year of a course of a study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathic medicine, dentistry, or other health profession; (2) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or be eligible for selection for civilian service in the NHSC; and (3) submit to the Secretary an application for a contract relating to the payment by the Secretary of the educational loans of the individual in consideration of the individual serving for an obligated period of time. Applicants should be negotiating or have secured employment at an eligible community site, and must not have any other service obligations.

*Funding Priorities or Preferences:* Priority will be given to (A) applicants whose health profession training is needed by the NHSC (needed disciplines will be identified in the applicant bulletin), (B) applicants who have characteristics that increase the probability of their continuing to practice in HPSAs after they have completed service, and (C) subject to paragraph (B), applicants from disadvantaged backgrounds. A funding preference will also be given to applicants serving HPSAs of greatest need.

*Estimated Amount of This Competition:* $62,600,000.

*Estimated Number of Awards To Be Made:* 970.

*Estimated or Average Size of Each Award:* $63,850.

*Estimated Project Period:* 2 years.

HRSA 03–026 National Health Service Corps Loan Repayment Program (NHSCL)

*Application Availability Date:* October 1, 2002.

*Application Deadline:* March 28, 2003.

*Projected Award Date:* August 29, 2003.

*Program Contact Persons:* Kay Cook, Gail Allen.

*Phone Numbers:* (301) 594–4403 (Cook), (301) 594–4394 (Allen).

*E-mail: kcook@hrsa.gov, gallen@hrsa.gov.*

HRSA 03–027 Faculty Loan Repayment Program* (FLRP)

*Legislative Authority:* Public Health Service Act, Title VII, section 738(a), 42 U.S.C. 293b.

*CFDA Number:* 93.923.

*Purpose:* The Faculty Loan Repayment Program (FLRP) provides a financial incentive for degree-trained health professions personnel from disadvantaged backgrounds to pursue an academic career. The individuals agree to serve as members of the faculties of accredited health professions schools providing teaching services for a minimum of 2 years. The Federal Government in turn agrees to pay up to $20,000, for each year of service, of the outstanding principal and interest on the individual's education loans.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Matching or Cost Sharing Requirement:* The school that has entered into a contractual agreement with a recipient is required, for each year in which the recipient serves as a faculty member under contract with HHS, to make payments of principal and interest in an amount equal to the amount of such quarterly payments made by the HHS Secretary. The payments must be in addition to the faculty salary the recipient would ordinarily receive or the school must request a waiver of its share of cost. The Secretary may waive the school's matching requirement if the Secretary determines it will impose an undue financial hardship on the school.

*Eligibility:* An individual is eligible to apply for loan repayment under FLRP if the individual is from a disadvantaged background, holds a health professions degree, is enrolled in an approved health professions graduate program, or will be enrolled as a full-time student in the final year of health professions training that leads to a degree in one of the following health professions: allopathic medicine, osteopathic medicine, podiatric medicine, veterinary medicine, dentistry, pharmacy, optometry, nursing, public health, dental hygiene, medical laboratory technology, occupational therapy, physical therapy, radiologic technology, speech pathology, audiology, medical nutrition therapy and graduate programs in behavioral health and mental health practice, clinical psychology, clinical social work, and marriage and family therapy.

*Funding Priorities and/or Preferences:* Preference will be given to applicants who have received a commitment from the employing institution to match FLRP funds; not previously held a faculty position; been out of school less than 5 years; not previously participated in FLRP; and who contribute to geographic distribution across the country and represent diverse health professions disciplines.

*Review Criteria:* Review criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,000,000.

*Estimated Number of Awards:* 30.

*Estimated or Average Size of Each Award:* $16,800 per year.

*Estimated Project Period:* Minimum of 2 years.

HRSA 03–027 Faculty Loan Repayment Program* (FLRP)

*Application Availability Date:* March 3, 2003.

*Application Deadline:* May 30, 2003.

*Projected Award Date:* August 29, 2003.

*Program Contact Person:* Lorraine Evans.

*Phone Number:* (301) 443–0785.

*E-mail: flrpinfo@hrsa.gov.*
*Internet Address: http://bhpr.hrsa.gov/dsa/flrp.*

HRSA 03–028 Scholarships for Disadvantaged Students (SDS)

*Legislative Authority:* Public Health Service Act, Title VII, Section 737, 42 U.S.C. 293a.
*CFDA Number:* 93.925.
*Purpose:* The Scholarships for Disadvantaged Students (SDS) program contributes to the diversity of the health professions students and practitioners. The program provides funding to eligible health professions and nursing schools to be used for scholarships to students from disadvantaged backgrounds who have financial need for scholarships and are enrolled, or accepted for enrollment, as full-time students at the eligible schools. SDS program Web site is *http://bhpr.hrsa.gov/dsa/weblinks/.*
*Eligibility:* The following entities are eligible to apply for this program: (1) schools of allopathic medicine, osteopathic medicine, dentistry, optometry, pharmacy, podiatric medicine, veterinary medicine, public health, nursing, chiropractic, or allied health, graduate programs in behavioral and mental health practice, or an entity providing programs for the training of physician assistants; and (2) schools with a program for recruiting and retaining students from disadvantaged backgrounds.
Students from disadvantaged backgrounds must comprise the following: (1) At least 10 percent of the total enrollment (full-time students) of the school's (*e.g.,* dentistry, baccalaureate nursing) during Academic Year (AY) 2000–2001 (07/01/2000–06/30/2001), and (2) At least 10 percent of the total graduates (who were full-time students) of the school's program during AY 2000–2001 (707/01/2000–06/30/2001), and (3) A school must have economically disadvantaged students enrolled and graduated during AY 2000–2001.
*Funding Priorities and/or Preferences:* A priority will be given to eligible entities that are health professions and nursing schools based on the proportion of graduating students going into primary care, the proportion of underrepresented minority students, and the proportion of graduates working in medically underserved communities.
*Review Criteria:* Review criteria are included in the application kit.
*Estimated Amount of This Competition:* Up to $10,000,000 is available under the President's FY 2003 budget.
*Estimated Number of Awards:* 105.
*Estimated or Average Size of Each Award:* $95,000.
*Estimated Project Period:* 1 year.

HRSA 03–028 Scholarships for Disadvantaged Students (SDS)

*Application Availability Date:* November 1, 2002.
*Application Deadline:* December 17, 2002.
*Projected Award Date:* March 31, 2003.
*Program Contact Person:* Andrea Castle, Pam Wellens.
*Phone Number:* (301) 443–1701, (301) 443–5168.
*E-mail: dpolicy@hrsa.gov.*

HRSA 03–029 Nursing Education Loan Repayment Program (NELRP)

*Legislative Authority:* Authorization Public Health Service Act, Title VIII, Section 846, 42 U.S.C. 297n.
*CFDA Number:* 93.908.
*Purpose:* Under the Nursing Education Loan Repayment Program (NELRP), registered nurses are offered the opportunity to enter into a contractual agreement with the Secretary to receive loan repayment for up to 85 percent of their qualifying loan balance as follows—30 percent each year for the first 2 years and 25 percent for the third year. In exchange, nurses agree to serve for 2 or 3 years in an eligible health facility (EHF).
*Eligibility:* An individual is eligible to apply for NELRP if the individual: (1) Has received a baccalaureate or associate degree in nursing, a diploma in nursing, or a graduate degree in nursing; (2) has obtained one or more nursing student loans authorized under section 835(a) of the Public Health Service Act, as amended, or any other educational loan for nurse training costs; (3) enters into an agreement to serve as a full-time registered nurse for a period of not less than two years in an EHF; and (4) is a U.S. citizen, U.S. national, or a permanent legal resident of the United States.
An ''EHF'' is defined as: (1) An Indian Health Service health center; (2) a Native Hawaiian health center; (3) a public hospital (operated by a State, county, or local government); (4) a health center funded under section 330 of the Public Health Service Act (including community, migrant, homeless, and public housing centers); (5) a rural health clinic under section 1861(aa)(2) of the Social Security Act; or (6) a public or nonprofit private health facility determined by the Secretary to have a critical shortage of nurses.
*Funding Priorities or Preferences:* As provided in section 846(e) of the Public Health Service Act, as amended, first preference will be given to qualified applicants with the greatest financial need who agree to serve in EHFs located in a county with a shortage of nurses.
Remaining funds will be awarded in the following order:
- First, to qualified applicants employed at an EHF located in a county with a shortage of nurses regardless of the applicants' financial need.
- Second, to qualified applicants employed at an EHF not located in a county with a shortage of nurses who demonstrate greatest financial need.
- Third, to other qualified applicants who are serving in States with few or no new NELRP participants.

*Estimated Amount of This Competition:* $13,840,000.
*Estimated Number of Contracts to be Awarded:* 675 new contracts.
*Estimated or Average Size of Each Contract:* $20,500.

HRSA 03–029 Nursing Education Loan Repayment Program (NELRP)

*Application Availability Date:* October 1, 2002.
*Application Deadline:* January 31, 2003.
*Projected Award Date:* May 30, 2003.
*Program Contact Person:* Jacqueline Brown.
*Phone Number:* (301) 443–3232.
*E-mail: jbrown1@hrsa.gov.*

*Bureau of Primary Health Care*

P. A. 03–030 Community and Migrant Health Centers (CMHS)

*Legislative Authority:* Public Health Service Act, Title III, Section 330 (g), 42 U.S.C. 254b and 254b(g).
*CFDA Number:* 93.224 and 93.246.
*Purpose:* The Community Health Center and Migrant Health Center (C/MHC) programs are designed to promote the development and operation of community-based primary health care service systems in medically underserved areas for medically underserved populations. It is the intent of HRSA to continue to support health services in these areas, given the unmet need inherent in their provision of services to medically underserved populations. It is expected that each application submitted to serve one of these areas will present a clear focus on maintaining access to care and reducing health disparities identified in the target population. In FY 2003, HRSA will be implementing the second year of the President's Health Center Growth Initiative to expand access to the Nation's poor and underserved. HRSA will open competition for awards under Section 330 of the Public Health Service Act to support health services in the

areas served by these grants. One hundred forty-four C/MHC grantees will reach the end of their project period during FY 2003. Applications are due 120 days before the expiration date.

*Eligibility:* Applicants are limited to currently funded programs whose project periods expire during FY 2003 and new organizations proposing to serve the same areas or populations being served by these existing programs. New organizations eligible to compete to serve one of these areas are public and nonprofit private entities, including faith-based organizations and community-based organizations.

*Special Considerations:* Communication with Field Office staff is essential for interested parties in deciding whether to pursue Federal funding as a C/MHC. Technical assistance and detailed information about each service area, such as census tracts, can be obtained by contacting the HRSA Field Office.

*Estimated Amount of This Competition:* $191,100,000.

*Estimated Number of Awards To Be Made:* 147.

*Estimated or Average Size of Each Award:* $1,300,000.

*Estimated Project Period:* 1–5 years.

HRSA 03–030 Communtiy and Migrant Health Centers (CMHS)

*Application Availability Date:* Continuous.

*Application Deadline:* Varies.

*Projected Award Date:* Varies.

*Program Contact Person:* Cephas Goldman (CDFA 93.224), George Ersek (CFDA93.246)

*Phone Number:* Goldman (301) 594–4300; Ersek (301) 594–4301.

*E-mail: CGoldman@hrsa.gov; gersek@hrsa.gov.*

Community/Migrant Health Centers

| City | State | Expiration date |
|---|---|---|
| **HRSA Boston Field Office 617–565–1482** | | |
| Boston | MA | 11/30/2002 |
| Bridgeport | CT | 01/31/2003 |
| Roxbury | MA (2) | 01/31/2003 |
| Truro | MA | 01/31/2003 |
| Allston | MA | 01/31/2003 |
| Turner Falls | MA | 01/31/2003 |
| Eastport | ME | 03/31/2003 |
| Princeton | ME | 03/31/2003 |
| Leeds | ME | 03/31/2003 |
| Springfield | MA | 06/30/2003 |
| Middletown | CT | 06/30/2003 |
| Berlin | NH | 06/30/2003 |
| **HRSA New York Field Office 212–264–2664** | | |
| White Plains | NY | 11/30/2002 |
| Newark | NJ | 11/30/2002 |
| Cortland | NY | 11/30/2002 |
| Rushville | NY | 12/31/2002 |
| Bronx | NY (3) | 01/31/2003 |
| Hatillo | PR | 01/31/2003 |
| Morovis | PR | 01/31/2003 |
| Middletown | NY | 02/28/2003 |
| New York | NY | 02/28/2003 |
| Naranjito | PR | 05/31/2003 |
| Rio Grande | PR | 06/30/2003 |
| Bronx | NY | 06/30/2003 |
| New York | NY | 06/30/2003 |
| Brooklyn | NY | 06/30/2003 |
| **HRSA Philadelphia Field Office 215–861–4422** | | |
| Baltimore | MD | 11/30/2002 |
| Rainelle | WV | 11/30/2002 |
| Philadelphia | PA | 11/30/2002 |
| Chambersburg | PA | 11/30/2002 |
| Victoria | VA | 12/31/2002 |
| Axton | VA | 01/31/2003 |
| Bastian | VA | 01/31/2003 |
| Scott Depot | WV | 02/28/2003 |
| Mill Creek | WV | 02/28/2003 |
| Horizon | VA | 03/31/2003 |
| Chase Brexton | MD | 06/30/2003 |
| Kuumba | VA | 06/30/2003 |
| **HRSA Atlanta Field Office 404–562–2996** | | |
| Kinston | NC | 11/30/2002 |
| Parrish | FL | 11/30/2002 |
| Savannah | GA | 11/30/2002 |
| Orangeburg | SC | 11/30/2002 |
| Louisville | KY | 11/30/2002 |
| Palatka | FL | 11/30/2002 |
| Faison | NC | 12/31/2002 |
| Fellsmere | FL | 12/31/2002 |
| Savannah | TN | 12/31/2002 |
| Oakhurst | GA | 12/31/2002 |
| Coconut Grove | FL | 12/31/2002 |
| Avon Park | FL | 01/31/2003 |
| Prestonburg | KY | 01/31/2003 |
| Rock Hill | SC | 01/31/2003 |
| Olanta | SC | 01/31/2003 |
| Pompano Beach | FL | 01/31/2003 |
| Columbia | SC | 01/31/2003 |
| Smithville | MS | 01/31/2003 |
| Mobile | AL | 02/28/2003 |
| Greensboro | GA | 02/28/2003 |
| Bowling Green | KY | 02/28/2003 |
| Ridgeland | SC | 02/28/2003 |
| Columbia | SC | 03/31/2003 |
| Nashville | TN | 03/31/2003 |
| Charleston | SC | 03/31/2003 |
| Clearwater | SC | 05/31/2003 |
| Clarksdale | MS | 05/31/2003 |
| Hollister | NC | 05/31/2003 |
| Palmetto | GA | 05/31/2003 |
| Fayette | MS | 05/31/2003 |
| Huntsville | TN | 05/31/2003 |
| Columbus | GA | 06/30/2003 |
| Russellville | AL | 06/30/2003 |
| Jacksonville | FL | 06/30/2003 |
| **HRSA Chicago Field Office 312–353–1715** | | |
| Indianapolis | IN | 11/30/2002 |
| Toledo | OH | 11/30/2002 |
| Columbus | OH | 11/30/2002 |
| St. Paul | MN | 11/30/2002 |
| Chicago | IL | 11/30/2002 |
| East Chicago | IN | 11/30/2002 |
| Lisbon | OH | 12/31/2002 |
| Youngstown | OH | 12/31/2002 |
| Houghton Lake | MI | 12/31/2002 |
| Chicago | IL | 01/31/2003 |
| Detroit | MI | 01/31/2003 |
| Milwaukee | WI (2) | 01/31/2003 |
| Joliet | IL | 02/28/2003 |
| Chicago | IL (2) | 02/28/2003 |
| Mansfield | OH | 02/28/2003 |
| Cleveland | OH | 02/28/2003 |
| Muncie | IN | 02/28/2003 |
| Chicago | IL | 06/30/2003 |
| Beloit | WI | 06/30/2003 |
| Detroit | MI | 06/30/2003 |
| **HRSA Dallas Field Office 214–767–3872** | | |
| De Leon | TX | 11/30/2002 |
| Dallas | TX | 11/30/2002 |
| West Memphis | AR | 11/30/2002 |
| Pecos | NM | 12/31/2002 |
| Santa Fe | NM | 12/31/2002 |
| Natchitoches | LA | 01/31/2003 |
| Tierra Amarilla | NM | 01/31/2003 |
| New Roads | LA | 02/28/2003 |
| River Ridge | LA | 02/28/2003 |
| Austin | TX | 02/28/2003 |
| Baton Rouge | LA | 05/31/2003 |
| Clarendon | AR | 05/31/2003 |
| Corning | AR | 06/30/2003 |
| Greenburg | LA | 06/30/2003 |
| Wichita Falls | TX | 06/30/2003 |
| Opelousas | LA | 06/30/2003 |
| Marshall | AR | 06/30/2003 |
| **HRSA Kansas City Field Office 816–426–5296** | | |
| Omaha | NE | 01/31/2003 |
| Great Bend | KS | 02/28/2003 |
| Ava | MO | 02/28/2003 |
| Omaha | NE | 02/28/2003 |
| Ottumwa | IA | 02/28/2003 |
| **HRSA Denver Field Office 303–844–3203** | | |
| Colorado Springs. | CO | 12/31/2002 |
| Libby | MT | 02/28/2003 |
| Montezuma Creek. | UT | 02/28/2003 |
| Enterprise | UT | 03/31/2003 |
| East Carbon | UT | 06/30/2003 |
| Great Falls | MT | 06/30/2003 |
| Fargo | ND | 06/30/2003 |
| **HRSA San Francisco Field Office 415–437–8090** | | |
| Los Angeles | CA | 11/30/2002 |
| Fresno | CA | 11/30/2002 |
| San Mateo | CA | 11/30/2002 |
| Arcata | CA | 12/31/2002 |
| Salinas | CA | 12/31/2002 |
| Koror | PW | 12/31/2002 |
| Los Angeles | CA | 01/31/2003 |
| Petaluma | CA | 02/28/2003 |
| Honokaa | HI | 02/28/2003 |
| Lihue | HI | 02/28/2003 |
| Ajo | AZ | 02/28/2003 |

| City | State | Expiration date |
|---|---|---|
| Greenbrae | CA | 02/28/2003 |
| Point Reyes | CA | 02/28/2003 |
| Hagatna | GU | 03/31/2003 |
| Page | AZ | 05/31/2003 |
| Ukiah | CA | 06/30/2003 |
| Kahului | HI | 06/30/2003 |
| **HRSA Seattle Field Office 206–615–2491** | | |
| Bethel | AK | 02/28/2003 |
| Galena | AK | 02/28/2003 |
| Bremerton | WA | 06/30/2003 |
| Soldotna | AK | 08/31/2003 |

HRSA 03–031 Health Care for the Homeless (HCH)

*Legislative Authority:* Public Health Service Act, Title III, Section 330(h), 42 U.S.C. 254B(h).

*CFDA Number:* 93.151.

*Purpose:* The Health Care for the Homeless (HCH) program is designed to increase the access of homeless populations to cost-effective, case managed, and integrated primary care and substance abuse services provided by existing community-based programs/providers. It is expected that each application submitted to serve an identified homeless population will present a clear focus on maintaining access to care and reducing health disparities identified in the target population by proposing a comprehensive health care and social services program. It is the intent of HRSA to continue to support health services to the homeless people in these areas/locations given the continued need for cost-effective, community-based primary care services. Twenty-one HCH grantees will reach the end of their project period during FY 2003. Applications are due 120 days before the expiration date.

*Eligibility:* Applicants are limited to currently funded programs whose project periods expire during FY 2003 and new organizations proposing to serve the same areas or populations being served by these existing programs. New organizations eligible to compete to serve one of these areas are public and nonprofit private entities, including faith-based organizations and community-based organizations.

*Special Considerations:* Communication with Field Office staff is essential for interested parties in deciding whether to pursue Federal funding as a HCH program. Technical assistance and detailed information about each service area, such as census tracts, can be obtained by contacting the HRSA Field Office.

*Estimated Amount of This Competition:* $10,500,000.

*Estimated Number of Awards To Be Made:* 21.

*Estimated or Average Size of Each Award:* $500,000.

*Estimated Project Period:* 1–5 years.

HRSA 03–031 Health Care for the Homeless (HCH)

*Application Availability Date:* Continuous.

*Application Deadline:* Varies.

*Projected Award Date:* Varies.

*Program Contact Person:* Monica Toomer.

*Phone Number:* (301) 594–4434.

*E-mail:* mtoomerz@hrsa.gov.

Health Care for the Homeless

| City | State | Expiration date |
|---|---|---|
| **HRSA Boston Field Office 617–565–1482** | | |
| Bridgeport | CT | 01/31/2003 |
| **HRSA New York Field Office 212–264–2664** | | |
| Camden | NJ | 10/31/2002 |
| Rochester | NY | 10/31/2002 |
| Newark | NJ | 10/31/2002 |
| White Plains | NY | 11/30/2002 |
| **HRSA Atlanta Field Office 404–562–2996** | | |
| Miami | FL | 10/31/2002 |
| Nashville | TN | 10/31/2002 |
| Clearwater | FL | 10/31/2002 |
| Memphis | TN | 05/31/2003 |
| **HRSA Chicago Field Office 312–353–1715** | | |
| Grand Rapids | MI | 10/31/2002 |
| Battle Creek | MI | 10/31/2002 |
| Columbus | OH | 11/30/2002 |
| Toledo | OH | 11/30/2002 |
| Indianapolis | IN | 11/30/2002 |
| **HRSA Kansas City Field Office 816–426–5296** | | |
| Omaha | NE | 01/31/2003 |
| **HRSA Denver Field Office 303–844–3203** | | |
| Salt Lake City | UT | 10/31/2002 |
| Fargo | ND | 06/30/2003 |
| **HRSA San Francisco Field Office 415–437–8090** | | |
| Phoenix | AZ | 10/31/2002 |
| Sacramento | CA | 10/31/2002 |
| Santa Barbara | CA | 10/31/2002 |
| Martinez | CA | 10/31/2002 |

HRSA 03–032 Public Housing Primary Care (PHPC)

*Legislative Authority:* Section 330(i) of the Public Health Service Act, 42 U.S.C. 254b(i).

*CFDA Number:* 93.927.

*Purpose:* The mission of the Public Housing Primary Care (PHPC) program is to increase access to comprehensive primary and preventive health care and to improve the physical, mental and economic well-being of public housing residents. The three priorities for promoting access to primary care and improving the well being of residents of public housing are: resident involvement and participation in program development and implementation; innovative service delivery systems that address the special health needs of public housing residents; and collaboration with other health, education and community-based organizations. It is expected that each application to serve an identified population of residents of public housing will present a clear focus on maintaining access to care and reducing health disparities identified in the target population. It is the intent of HRSA to continue to support health services to public housing residents in these areas/locations given the continued need for cost-effective, community-based primary care services. Six PHPC grantees will reach the end of their project period during FY 2003. Applications are due 120 days before the expiration date.

*Eligibility:* Applicants are limited to currently funded programs whose project periods expire during FY 2003 and new organizations proposing to serve the same areas or populations being served by these existing programs. New organizations eligible to compete to serve one of these areas are public and nonprofit private entities, including faith-based organizations and community-based organizations.

*Special Considerations:* Communication with Field Office staff is essential for interested parties in deciding whether to pursue Federal funding as a PHPC grantee. Technical assistance and detailed information about each service area, such as census tracts, can be obtained by contacting the HRSA Field Office.

*Estimated Amount of This Competition:* $2,400,000.

*Estimated Number of Awards To Be Made:* 6.

*Estimated or Average Size of Each Award:* $400,000.

*Estimated Project Period:* 1–5 years.

HRSA 03–032 Public Housing Primary Care (PHPC)

*Application Availability Date:* Continuous.

*Application Deadline:* Varies.

*Projected Award Date:* Varies.

*Program Contact Person:* Evan R. Arrindell.
*Phone Number:* (301) 594–4334.
*E-mail:* rarrindell@hrsa.gov.

Public Housing

| City | State | Expiration date |
|---|---|---|
| **HRSA Boston Field Office 617–565–1482** | | |
| Roxbury ..... | MA | 01/31/2003 |
| **HRSA Philadelphia Field Office 215–861–4422** | | |
| Philadelphia ..... | PA | 08/31/2003 |
| **HRSA Atlanta Field Office 404–562–2996** | | |
| Savannah ..... | GA | 11/30/2002 |
| Marietta ..... | GA | 08/31/2003 |
| **HRSA Chicago Field Office 312–353–1715** | | |
| Columbus ..... | OH | 11/30/2002 |
| Chicago ..... | IL | 11/30/2002 |

HRSA 03–033 Healthy Schools, Healthy Communities (HSHC)

*Legislative Authority:* Section 330 of the Public Health Service Act, 42 U.S.C. 254b.

*CFDA Number:* 93.151.

*Purpose:* The purpose of the Healthy Schools, Healthy Communities (HSHC) program is to increase access to comprehensive primary and preventive health care to underserved children, adolescents and families. The HSHC programs and other Bureau of Primary Health Care (BPHC)-supported School Based Health Centers (SBHC) programs provide comprehensive primary and preventive health care services including mental health, oral health, ancillary, and enabling services in the school or on school grounds on a full-time basis. These services are culturally sensitive, family oriented, and tailored to meet the health care needs of youth, adolescents and the community. The array of services provided on-site is locally determined by school principals, school boards, parents and providers, and referral arrangements are provided for services not available on-site. No SBHC services are provided without fully informed parental consent. Each SBHC supports educational efforts by making sure that children are ready to learn through an integrated system providing continuity of care, and assuring after hours and year round coverage. It is expected that each application submitted to serve a school-based population presents a clear focus on maintaining access to care and reducing health disparities identified in the target population. It is the intent of HRSA to continue to support health services for these populations in the areas served by these grantees. Fourteen HSHC grantees will reach the end of their project period during FY 2003. Applications are due 120 days before the expiration date.

*Eligibility:* Applicants are limited to currently funded programs whose project periods expire during FY 2003 and new organizations proposing to serve the same areas or populations being served by these existing programs. New organizations eligible to compete to serve one of these areas are public and nonprofit private entities, including faith-based organizations and community-based organizations.

*Special Considerations:* Communication with Field Office staff is essential for interested parties in deciding whether to pursue Federal funding as a HSHC program. Technical assistance and detailed information about each service area, such as census tracts, can be obtained by contacting the HRSA Field Office.

*Estimated Amount of This Competition:* $4,200,000.

*Estimated Number of Awards to be Made:* 14.

*Estimated or Average Size of Each Award:* $300,000.

*Estimated Project Period:* 1–5 years.

HRSA 03–033 Healthy Schools, Healthy Communities (HSHC)

*Application Availability Date:* Continuous.

*Application Deadline:* Varies.

*Projected Award Date:* Varies.

*Program Contact Person:* Darryl Burnett.
*Phone Number:* (301) 594–4449.
*E-mail: dburnett@hrsa.gov.*

Healthy Schools, Healthy Communities

| City | State | Expiration date |
|---|---|---|
| **HRSA Boston Field Office 617–565–1482** | | |
| Taunton ..... | MA | 06/30/2003 |
| Middletown ..... | CT | 06/30/2003 |
| **HRSA New York Field Office 212–264–2664** | | |
| New York ..... | NY | 06/30/2003 |
| Bronx ..... | NY | 06/30/2003 |
| Yonkers ..... | NY | 06/30/2003 |
| **HRSA Philadelphia Field Office 215–861–4422** | | |
| Victoria ..... | VA | 12/31/2002 |
| Baltimore ..... | MD | 5/31/2003 |
| **HRSA Atlanta Field Office 404–562–2996** | | |
| Miami Beach ..... | FL | 12/31/2002 |
| Fayette ..... | MS | 05/31/2003 |
| **HRSA Chicago Field Office 312–353–1715** | | |
| Chicago ..... | IL | 11/30/2002 |
| Chicago ..... | IL | 06/30/2003 |
| Indianapolis ..... | IN | 06/30/2003 |
| **HRSA Dallas Field Office 214–767–3872** | | |
| Santa Fe ..... | NM | 12/31/2002 |
| Greensburg ..... | LA | 06/30/2003 |

HRSA 03–034 New Delivery Sites and New Starts in Programs Funded Under the Health Centers Consolidation Act (NDSCS)

*Legislative Authority:* Section 330 of the Public Health Service Act, 42 U.S.C. 254b.

*CFDA Number:* 93.224, 93.246, 93.151, 93.927, 93.151.

*Purpose:* The purpose of this activity is to support the establishment of new service delivery sites in each of the Health Center programs funded under section 330 of the Public Health Service Act. Each application for support to establish a new site must identify a population in need of primary health care services, and propose a specific plan to increase access to care and reduce disparities identified in the population or community to be served. This activity is the lead in fulfilling the President's multi-year Initiative to Expand Health Centers to bring much needed primary health care services to the Nation's neediest communities. In FY 2003, the establishment of new delivery sites under this program will be in the second year of a five-year initiative. The purpose of the Health Center program is to extend comprehensive primary and preventive health services (including mental health, substance abuse and oral health services) and supplemental services to populations currently without access to such services, and to improve their health status. The programs under this activity include: (1) Community Health Centers, section 330(e); (2) Migrant Health Centers, section 330(g); (3) Health Care for the Homeless program, section 330(h); (4) Public Housing Primary Care, section 330(i); and (5) Healthy School, Healthy Communities program, section 330(e). The populations served by these programs are: (1) Medically underserved populations in urban and rural areas; (2)

migratory and seasonal agricultural workers and their families; (3) homeless people, including children and families; (4) residents of publicly subsidized housing; and (5) medically underserved school-students (K–12), their families, and medically underserved populations surrounding the school.

*Matching or Cost Sharing Requirement:* Communities seeking support are strongly encouraged to promote and seek outside funding and are required to maximize third party revenue to establish and maintain new service delivery areas.

*Eligibility:* Public and nonprofit private entities, including faith-based organizations and community-based organizations, are eligible to apply.

*Funding Priorities and/or Preferences:* In selecting applications for funding, special consideration will be given to approvable applications submitted from sparsely populated areas. A priority will be placed on applications that present clear plans to reduce or eliminate disparities identified in the population or community to be served. In addition, because significant efficiencies in the delivery of health care services can be realized through the appropriate use of technological improvements, a priority will be placed on applications that incorporate such improvements to enhance the quality of care, increase the efficiency and effectiveness of operations, and reduce costs. Other priorities will be included in the application guidance.

*Estimated Amount of This Competition:* $53,000,000.

*Estimated Number of Awards to be Made:* 90.

*Estimated or Average Size of Each Award:* $350,000–$650,000.

*Estimated Project Period:* 2 years or consistent with existing project period for currently funded organizations.

HRSA 03–034 New Delivery Sites and New Starts in Programs Funded Under the Health Centers Consolidation Act (NDSCS)

*Application Availability Date:* July 2002.

*Letter of Intent Deadline:* The letter of intent may be sent at anytime. Letters of intent are encouraged for organizations seeking funding for a new delivery site. Letters of intent will be accepted beginning July 31, 2002. The submission of a letter of intent is recommended but not required in order to submit an application to compete for funds in FY 2003. Information requirements to be included in the letter of intent submissions will be available in the application guidance.

*Application Deadline:* Applications will be accepted beginning October 1, 2002. Applications received by November 15, 2002 will be reviewed with funding decisions announced by February 28, 2003. Applications received by January 15, 2003 will be reviewed with funding decisions announced by April 30, 2003. Applications received by April 15, 2003 will be reviewed with funding decisions announced by July 31, 2003.

*Projected Award Date:* See above.

*Program Contact Person:* Tonya Bowers 93.224, George Ersek 93.246, Jean Hochron 93.151, Evan R. Arrindell 93.927, Sheri Downing-Futrell 93.151A.

*Phone Numbers:* Bowers (301) 594–4329, Ersek (301) 594–4301, Hochron (301) 594–4437, Arrindell (301) 594–4334, Downing-Futrell (301) 594–4468.

*E-mail: tbowers@hrsa.gov; gersek@hrsa.gov; jhochron@hrsa.gov; rarrindell@hrsa.gov; sdowning-futrell@hrsa.gov.*

HRSA 03–035 Increase in Medical Capacity in Programs Funded Under the Health Care Consolidation Act of 1996 (IMCHC)

*Legislative Authority:* Section 330 of the Public Health Service Act, 42 U.S.C. 254b.

*CFDA Number:* 93.224, 93.246, 93.151, 93.927.

*Purpose:* FY 2003 marks the second year of the President's multi-year plan to serve more of the Nation's neediest communities through significantly expanded health center access points. The HRSA is committed to improving and expanding access to health care for the underserved and to pledging new funding to strengthen the health care safety net through each of the Health Center programs funded under section 330 of the Public Health Service Act. Health centers extend preventive and primary health care services to populations currently without such services and improve the health status of medically underserved individuals. One way of achieving these goals and reaching new users of health centers is to approve funding increases for existing health center grantees that provide a plan for achieving increased medical capacity within their current service area. The programs included under this activity include: (1) Community Health Centers, section 330(e); (2) Migrant Health Centers, section 330(g); (3) Health Care for the Homeless, section 330(h); (4) Public Housing Primary Care, section 330(i); and (5) Healthy Schools, Healthy Communities program, section 330(e). The populations served by these programs are: (1) Medically underserved populations in urban and rural areas; (2) migratory and seasonal agricultural workers and their families; (3) homeless people, including children and families; (4) residents of publicly subsidized housing; and (5) medically underserved students in grades K through 12, their families, and medically underserved populations surrounding the school.

*Eligibility:* Applications are limited to currently funded health center programs (*i.e.,* those organizations funded under section 330 (e), 330(g), 330(h), and 330(i)).

*Funding Priorities and/or Preferences:* In selecting applications for funding, special consideration will be given to approvable applications submitted from sparsely populated areas. A priority will be placed on applications that present clear plans to reduce or eliminate disparities identified in the population or community to be served. In addition, because significant efficiencies in the delivery of health care services can be realized through the appropriate use of technological improvements, a priority will be placed on applications that incorporate such improvements to enhance the quality of care, increase the efficiency and effectiveness of operations, and reduce costs. Other priorities will be included in the application guidance.

*Estimated Amount of this Competition:* $39,000,000.

*Estimated Number of Awards To Be Made:* 80.

*Estimated or Average Size of Each Award:* $350,000–$650,000.

*Estimated Project Period:* Consistent with organization's current project period.

HRSA 03–035 Increase in Medical Capacity in Programs Funded Under the Health Care Consolidation Act of 1996 (IMCHC)

*Application Availability Date:* November 1, 2002.

*Application Deadline:* February 1, 2003.

*Projected Award Date:* May 2003.

*Program Contact Person:* Janet Wetmore 93.224; George Ersek 93.246; Jean Hochron 93.151; Evan R. Arrindell 93.927; Laverne Green 93.151A.

*Phone Numbers:* Wetmore (301) 594–4340; Ersek (301) 594–4301; Hochron (301) 594–4437; Arrindell (301) 594–4334; Green (301) 594–4451.

*E-mail: jwetmore@hrsa.gov; gersek@hrsa.gov; jhochron@hrsa.gov; rarrindell@hrsa.gov; lgreen@hrsa.gov.*

HRSA 03–036 National Health Center Technical Assistance Cooperative Agreement (NAT)

*Legislative Authority:* Public Health Service Act, Title III, Section 330(k), 42 U.S.C. 254b(k).

*CFDA Number:* 92.129, 93.130A, 93.224.

*Purpose:* The Health Center programs deliver cost effective, high quality primary health care to underserved, vulnerable, low income, and minority populations. HRSA supports technical and non-financial assistance to Federally-funded health centers. It is the intent of HRSA to continue to support technical assistance for health center site development and operations in areas of increasing access to preventive and primary care, and the reduction of disparities of health outcomes.

*Funding Priorities and/or Preferences:* Applications from sparsely populated areas will be given special consideration. In selecting applications for funding, priority will be given to organizations that can demonstrate the potential to: (1) Design service delivery programs appropriate to the population being (or to be) served; (2) establish effective linkages with appropriate state and community-based organizations; (3) recruit and retain providers; (4) incorporate technological improvements in operating systems; and (5) enhance other programmatic areas related to the President's Initiative to expand Health Centers.

*Eligibility:* Public and private nonprofit entities, including faith-based organizations and community-based organizations, are eligible to apply.

*Estimated Amount of This Competition:* Up to $2,000,000.

*Estimated Number of Awards to be Made:* Up to 4.

*Estimated or Average Size of Each Award:* $100,000–$500,000.

*Estimated Project Period:* 1 to 5 years.

HRSA 03–036 National Health Center Technical Assistance Cooperative Agreement (NAT)

*Application Availability Date:* Continuous.

*Application Deadline:* Varies.

*Projected Award Date:* Varies.

*Program Contact Person:* Jean Hochron.

*Phone Number:* (301) 594–4437.

*E-mail: jhochron@hrsa.gov.*

HRSA 03–037 Increase in Mental Health and Substance Abuse, Oral Health, Care Management, and Pharmacy Services in Programs Funded Under the Health Centers Consolidation Act of 1996 (IMHSA)

*Legislative Authority:* Section 330 of the Public Health Service Act, 42 U.S.C. 254b.

*CFDA Number:* 93.224, 93.246, 93.151, 93.927.

*Purpose:* Access to mental health and substance abuse (MH/SA), oral health, and pharmacy services is critical to ensuring the overall health and well-being of the populations served by health centers and reducing disparities in health center populations being served. In addition, sustaining and spreading the care and improvement models implemented through the Health Disparities Collaboratives is enhanced by expanded care management capacity. As part of the President's multi-year plan to impact 1,200 of the Nation's neediest communities, the HRSA will continue to expand access to essential health care services and to support practice improvement through a targeted approach to care management. The availability of MH/SA, oral health, pharmacy and care management services will enhance the ability of health centers to provide basic primary care, result in an increase in users at existing grantee sites, and continue to improve the health status of persons served. Applicants for this funding opportunity are expected to: (1) Describe the target population and its need for MH/SA, oral health, pharmacy or care management services; (2) present a service delivery plan that demonstrates responsiveness to the identified needs of the target population; and (3) present a sound business plan that links the goals and objectives from the service delivery plan to the budget. The programs included under this activity include: (1) Community Health Centers, section 330(e); (2) Migrant Health Centers, section 330(g); (3) Health Care for the Homeless, section 330(h); (4) Public Housing Primary Care, section 330(i); and (5) Healthy Schools, Healthy Communities program, section 330(e). The populations served by these programs are: (1) Medically underserved populations in urban and rural areas; (2) migratory and seasonal agricultural workers and their families; (3) homeless people, including children and families; (4) residents of publicly subsidized housing; and (5) medically underserved students in grades K through 12, their families, and medically underserved populations surrounding the school.

*Eligibility:* Applicants are limited to currently funded health center programs (i.e., those organizations funded under sections 330(e), 330(g), 330(h); and 330(i)).

*Estimated Amount of This Competition:* $10,000,000.

*Estimated Number of Awards To Be Made:* 120–125.

*Estimated or Average Size of Each Award:* $40,000–$200,000.

*Estimated Project Period:* Consistent with organization's current project period.

HRSA 03–037 Increase in Mental Health and Substance Abuse, Oral Health, Care Management, and Pharmacy Services in Programs Funded Under the Health Centers Consolidation Act of 1996 (IMHSA)

*Application Availability Date:* November 1, 2002.

*Application Deadline:* February 1, 2003.

*Projected Award Date:* May 2003.

*Program Contact Persons:* Nora Lynn Buluran, Carolyn Aoyama-Mental Health/Substance Abuse; Jay Anderson-Oral Health; and Craig Hostetler, Pharmacy.

*Phone Numbers:* Buluran (301) 594–4296; Aoyama (301) 594–4294; Anderson (301) 594–4295; Hostetler (301) 594–4353.

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HRSA 03–038 Radiation Exposure Screening and Education Program (RESEP)

*Legislative Authority:* Section 417C of the Public Health Service Act, 42 U.S.C. 285a–9.

*CFDA Number:* 93.257.

*Purpose:* The mission of the Radiation Exposure Screening and Education Program (RESEP) is to aid the thousands of individuals adversely affected by the mining, transport and processing of uranium and the testing of nuclear weapons for the Nation's weapons arsenal. This will be accomplished by carrying out programs designed for public education and information; screening eligible individuals for cancer and other related diseases; providing appropriate referrals for medical treatment; and facilitating documentation of claims under the Radiation Exposure Compensation Act.

*Eligibility:* The following entities are eligible to apply for funding: National Cancer Institute-designated cancer centers; Department of Veterans Affairs hospitals or medical centers; Federally Qualified Health Centers (FQHC), FQHC

lookalikes, Community Health Centers, hospitals, agencies of any State or local government that currently provide direct health care services; Indian Health Service (IHS) health care facilities, including programs provided through tribal contracts, compacts, grants, or cooperative agreements with the IHS which are determined appropriate to raising the health status of Indians; and nonprofit organizations. Among the nonprofit organizations eligible to apply are faith-based organizations and community-based organizations.

*Estimated Amount of This Competition:* $4,000,000.

*Estimated Number of Awards To Be Made:* 12.

*Estimated or Average Size of Each Award:* $300,000.

*Estimated Project Period:* 1 year.

HRSA 03–038 Radiation Exposure Screening and Education Program (RESEP)

*Application Availability Date:* February 1, 2003.

*Application Deadline:* May 1, 2003.

*Projected Award Date:* September 1, 2003.

*Program Contact Person:* Vanessa Hooker.

*Phone Number:* (301) 594–4100.

*E-mail: VHooker@hrsa.gov.*

HRSA 03–039 Community Access Program* (CAP)

*Legislative Authority:* Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act (subject to FY 2003 funding).

*CFDA Number:* 93.252.

*Purpose:* To assist communities and consortia of health care providers to develop the infrastructure necessary to fully develop or strengthen integrated health systems of care that coordinate health services for the uninsured.

This program is not included in the President's budget for FY 2003. Potential applicants for funds should consider this announcement provisional until final Congressional action on appropriations is taken. Updated information on Congressional action on appropriations will be available on the HRSA Web site.

*Eligibility:* Public and nonprofit private entities, including faith-based and community-based organizations, that demonstrate a commitment to and experience with providing a continuum of care to uninsured individuals are eligible to apply. Each applicant must represent a community-wide coalition that includes local health care providers who have traditionally provided care to the community's uninsured and underinsured regardless of ability to pay. The consortium may include private sector health care providers and organizations.

*Funding Priorities and/or Preferences:* In selecting applications for funding, special consideration will be given to approvable applications submitted from sparsely populated areas. A priority will be placed on applications that present clear plans to coordinate their efforts with other safety-net providers and to develop integrated community-based systems of care. In addition, because significant efficiencies in the delivery of health care services can be realized through the appropriate use of technological improvements, a priority will be placed on applications that incorporate such improvements to enhance the quality of care, increase the efficiency and effectiveness of operations, and reduce costs. Other priorities will be included in the application guidance.

*Estimated Amount of This Competition:* $20,000,000.

*Estimated Number of Awards To Be Made:* 20–23.

*Estimated or Average Size of Each Award:* $900,000.

*Estimated Project Period:* 1 year.

HRSA 03–039 Community Access Program* (CAP)

*Application Availability Date:* April 1, 2003.

*Application Deadline:* June 1, 2003.

*Projected Award Date:* September 1, 2003.

*Program Contact Person:* Patricia Sampson.

*Phone Number:* (301) 443–0536.

*E-mail: psampson@hrsa.gov.*

HRSA 03–040 Integrated Services Development Initiative/Shared Integrated Management Information Systems (ISIS)

*Legislative Authority:* Section 330 of the Public Health Service Act, 42 U.S.C. 254b.

*CFDA Number:* 93.224.

*Purpose:* Consistent with HRSA's goal of increasing access to primary health care and reducing health status disparities among racial/ethnic groups, the Integrated Services Development Initiative (ISDI) supports the development of networks of safety net providers to ensure access to health care for the medically underserved, including the uninsured and underinsured. Awards made through this initiative are intended to serve as catalysts for the development, implementation and operation of reengineered health care delivery systems. Successful applicants are those that demonstrate the ability to work toward the goal of a truly integrated and efficient system that maximizes the quality of services and enhances access to primary, hospital and specialty services. Project support is available for planning grantees as well as developmental networks.

As part of a broader information management strategy, the Division of Community and Migrant Health supports the development of a limited number of statewide or marketplace Shared Integrated Management Information Systems (SIMIS). The goal of the SIMIS project is to strategically align health center information systems with business objectives in an effort to meet demands driven by competition in the marketplace.

*Eligibility:* Applications for ISDI funds are limited to currently funded health centers (section 330(e)). Applications for SIMIS funds are limited to section 330(e) health centers and section 330(k) primary care associations.

*Funding Priorities and/or Preferences:* In selecting applications for funding, special consideration will be given to approvable applications submitted from sparsely populated areas. Because significant efficiencies in the delivery of health care services can be realized through the appropriate use of technological improvements, a priority will be placed on applications that incorporate such improvements to enhance the quality of care, increase the efficiency and effectiveness of operations, and reduce costs. Other priorities will be included in the application guidance.

*Estimated Amount of This Competition:* $4,000,000.

*Estimated Number of Awards To Be Made:* ISDI–15, SIMIS–6.

*Estimated or Average Size of Each Award:* ISDI planning $200,000; developmental $400,000; SIMIS—varies depending on need of the project.

*Estimated Project Period:* 1 to 4 years for ISDI; 1 to 3 years for SIMIS.

HRSA 03–040 Integrated Services Development Initiative/Shared Integrated Management Information Systems (ISIS)

*Application Availability Date:* December 2002 for ISDI; continuous for SIMIS.

*Application Deadline:* Continuous for ISDI; April 2003 for SIMIS.

*Projected Award Date:* August 2003 for ISDI; varies for SIMIS.

*Program Contact Persons:* ISDI Barbara Bailey; SIMIS Jayne Bertovich.

*Phone Numbers:* Bailey (301) 594–4317; Bertovich (301) 594–4318.

*E-mail: Bbailey@hrsa.gov; jbertovich@hrsa.gov.*

HRSA 03–041 State Primary Care Associations Supplemental Funding for Managing Health Center Growth and Quality (PCO)

*Legislative Authority:* Public Health Service Act, Title III, Section 330, 42 U.S.C. 254b.

*CFDA Number:* 93.129.

*Purpose:* The HRSA's Bureau of Primary Health Care announces an opportunity for existing Primary Care Associations (PCAs) to apply for supplemental funding to advance the goals of the President's initiative to expand health centers. The purpose of the funding is to support and expand the PCA's capacity to advance the goals of the President's initiative through the following three strategies: (1) Strengthening and expanding existing health center grantees; (2) creating new access points; and (3) improving health status outcomes and reducing disparities through evidence-based quality care and quality improvement in all BPHC-supported programs. The intent is to support activities in the areas of: (1) Needs identification and verification; (2) community development; (3) board development; (4) workforce development; (5) operating systems; (6) capital financing; (7) outreach to special populations; (8) leveraging resources; (9) adaptation of services for special populations; and (10) enhancing the continuum of care. Each proposed activity must be clearly linked to strengthening health centers' ability to contribute to the President's Growth Initiative.

*Eligibility:* Applicants are limited to currently funded PCAs.

*Estimated Amount of This Competition:* $3,000,000.

*Estimated Number of Awards To Be Made:* 25–40.

*Estimated or Average Size of Each Award:* $75,000.

*Estimated Project Period:* 1 year.

HRSA 03–041 State Primary Care Associations Supplemental Funding for Managing Health Center Growth and Quality (PCO)

*Application Availability Date:* October 15, 2002.

*Application Deadline:* December 1, 2002.

*Projected Award Date:* April 1, 2003.

*Program Contact Persons:* Colleen Meiman.

*Phone Number:* (301) 594–4486.

*E-mail: cmeiman@hrsa.gov.*

*HIV/AIDS Bureau*

HRSA 03–042 AIDS Education and Training Centers' National Clinicians' Consultation Center (AETCC)

*Legislative Authority:* Section 2692 of the Public Health Service Act; 42 U.S.C 300ff–111.

*CFDA Number:* 93.145.

*Purpose:* The purpose of the AIDS Education and Training Centers' (AETCs) National Clinicians' Consultation Center (NCCC) grant program is to provide clinicians with educational consultations on the clinical management of HIV infection and on possible health care worker exposure to HIV and related blood-borne pathogens using telecommunication technology. The program is to complement and support the AETCs program whose purpose is to improve the quality of HIV/AIDS clinical care through the training of health professionals. Applicants for the AETCs' NCCC must demonstrate the ability to provide timely responses to clinical questions related to the treatment of persons with HIV infection and/or possible health care worker exposure to HIV and related blood-borne pathogens. The NEC will work closely with the regional and national AETCs, providing training, resource development, and technical assistance.

*Eligibility:* Grants may be awarded to public and nonprofit private entities and schools and academic health sciences centers that can provide nationally educational consultation on the clinical management of HIV infection and possible health care worker exposure to HIV and other blood-borne pathogens. Faith-based and community based organizations are eligible to apply.

*Funding Priorities or Preferences:* Applicants with the ability to provide timely responses to clinical questions related to the treatment of persons with HIV infection and twenty-four hour coverage for responses to possible health care worker exposure to HIV and related blood-borne pathogens are given special priority.

*Estimated Amount of This Competition:* $1,500,000.

*Estimated Number of Awards:* 1.

*Estimated or Average Size of Each Award:* $1,500,000.

*Estimated Project Period:* 3 years.

HRSA 03–042 AIDS Education and Training Centers' National Clinicians' Consultation Center (AETCC)

*Projected Application Availability Date:* April 1, 2003.

*Letter of Intent Deadline:* May 1, 2003.

*Application Deadline:* June 1, 2003.

*Projected Award Date:* September 1, 2003.

*Program Contact Person:* Gail Cherry-Peppers.

*Phone Number:* (301) 443–2462.

*E-mail: GCherry-Peppers@hrsa.gov.*

HRSA 03–043 Grants for Coordinated Services and Access to Research for Children, Youth, Women and Their Families (CSCYW)

*Legislative Authority:* Section 2671 of the Public Health Service Act, 42 U.S.C. 300ff–51–300ff–67.

*CFDA Number:* 93.153.

*Purpose:* The purpose of the Title IV funding is to improve access to primary medical care, research, and support services for HIV-infected women, infants, children and youth, and to provide support services for their affected family members. Funded projects will link clinical research and other research with comprehensive care systems, and improve and expand the coordination of a system of comprehensive care for women, infants, children and youth who are HIV-infected. Funds will be used to support programs that: (1) Link established systems of care to coordinate service delivery, HIV prevention efforts, and clinical research and other research activities; and (2) address the intensity of service needs, high costs, and other complex barriers to comprehensive care and research experienced by medically underserved and hard-to-reach populations. Activities under these grants should address the goals of enrolling and maintaining clients in HIV primary care; increasing client access to research by linking development and support of comprehensive, community-based and family-centered care infrastructures; and emphasizing prevention within the care system, particularly the prevention of perinatal HIV transmission.

*Eligibility:* Eligible organizations are public or private nonprofit entities that provide or arrange for primary care. Faith-based and community-based organizations are eligible to apply. Current grantees or organizations proposing to serve the same service areas are eligible to apply. Services will be maintained in these areas:

| State | Areas |
|---|---|
| CA | Oakland. |
| DE | Wilmington. |
| FL | Ft Lauderdale, Broward County and Miami. |
| IL | North Side of Chicago. |
| LA | New Orleans. |
| MA | Boston and Roxbury area. |
| MN | Minneapolis/St. Paul. |
| MO | Kansas City. |

| State | Areas |
|---|---|
| MS | Hattiesburg, Jackson and surrounding counties. |
| NC | Newton Grove. |
| NJ | Statewide. |
| NY | Northern Manhattan. |
| OH | Columbus and Toledo. |
| PR | Island-wide. |
| RI | Statewide. |
| TN | Nashville. |
| TX | Houston and San Antonio. |
| VA | Northern Virginia. |
| WA | Seattle and King County. |

*Funding Priorities or Preferences:* Preference for funding will be given to projects that support a comprehensive, coordinated system of HIV care serving HIV-infected women, infants, children and youth, and their families, and are linked with or have initiated activities to link with clinical trials or other research.

*Estimated Amount of This Competition:* $20,375,000.

*Estimated Number of Awards To Be Made:* 23.

*Estimated or Average Size of Each Award:* $885,000.

*Estimated Project Period:* 3 years.

HRSA 03–043 Grants for Coordinated Services and Access to Research for Children, Youth, Women and Their Families (CSCYW)

*Application Availability Date:* November 18, 2002.

*Application Deadline:* February 14, 2003.

*Projected Award Date:* August 1, 2003.

*Program Contact Person:* José Rafael Morales.

*Phone Number:* (301) 443–9051.

*E-mail: jmorales@hrsa.gov.*

HRSA 03–044 Funding for Early Intervention Services Grants: Existing Geographic Service Areas (EIEGS)

*Legislative Authority:* Section 2651 of the Public Health Service Act, 42 USC 300ff–51.

*CFDA Number:* 93.918.

*Purpose:* The purpose of this funding is to provide, on an ongoing outpatient basis, high quality early intervention services/primary care to individuals with HIV infection. This is accomplished by increasing the present capacity and capability of eligible ambulatory health service entities. These expanded services become a part of a continuum of HIV prevention and care for individuals who are at risk for HIV infections or are HIV infected. All early intervention services (EIS) programs must provide: HIV counseling and testing; counseling and education on living with HIV; appropriate medical evaluation and clinical care; and other essential services such as oral health care, outpatient mental health services, outpatient substance abuse services and nutritional services, and appropriate referrals for specialty services.

EIS grant funds are available to support telehealth activities, particularly in rural areas. Funded activities include purchase of MIS equipment and medical equipment. In addition, rural EIS programs use their funding to access telehealth services, such as consultations.

*Health Disparities.* For the EIS Grants, a major focus is on increasing access to HIV primary care and support services for communities of color. Funding available through the Minority AIDS Initiative has improved our ability to fund indigenous organizations and those serving communities of color to deliver and implement culturally/linguistically proficient primary care HIV services. Funding preferences have been established for organizations serving communities of color that are highly affected by HIV/AIDS in an effort to improve care, and reduce disparities in health outcomes.

*Eligibility:* Eligible applicants are public or private nonprofit entities that are Consolidated Health Center Programs receiving support under section 330 of the Public Health Service Act; family planning agencies under section 1001 of the Public Health Service Act, other than States; Comprehensive Hemophilia Diagnostic and Treatment Centers; Federally Qualified Health Centers supported under section 1905(1)(2)(8) of the Social Security Act; nonprofit private entities that currently provide comprehensive primary care services to populations at risk of HIV disease; local health departments; and University/Medical Center affiliated clinics. Faith-based and community-based organizations are eligible to apply.

*Limited Competition:* Applicants are limited to public or private nonprofit entities that are currently funded Title III programs whose project periods expire in FY 2003 and new organizations proposing to serve the same populations currently being serviced by these existing projects. These areas are:

State and Service Area of Project Periods Ending 12/31/02 and 3/31/03

AL JEFFERSON; BIBB; HALE; GREENE; PICKENS; LAMAR; FAYETTE; SUMTER; PERRY; WALKER

CA SAN DIEGO; MENDOCINO; SONOMA; SANTA BARBARA

CO DENVER; MOFFAT; RIO GRANDE; JACKSON; GRAND; GILPIN; CLEAR CREEK; SUMMIT; EAGLE; GARFIELD; RIO BLANCO; MESA; DELTA; PITKIN; LAKE; CHAFFEE; GUNNISON; MONTROSE; OURAY; HINSDALE; SAN JUAN; SAN MIGUEL; DOLORES; MONTEZUMA; LA PLATA; ARCHULETA

FL HENDRY; GLADES

GA BEN HILL; BERRIEN; BROOKS; COOK; ECHOLS; IRWIN; LANIER; LOWNDES; TIFT; TURNER

IL MCHENRY; COOK; KANE; DUPAGE; WILL; LAKE; PEORIA; TAZEWELL; MCLEAN; FULTON; KNOX; BUREAU; HENRY; MARSHALL; PUTNAM; WOODFORD; SCHUYLER; MCDONOUGH; LA SALLE; LIVINGSTON; MASON; WARREN; STARK

LA EAST BATON ROUGE; WEST BATON ROUGE; WEST FELICIANA; EAST FELICIANA; PLAQUEMINES; IBERVILLE; ASCENSION

ME CUMBERLAND

MD HARFORD; CARROLL; DORCHESTER; CAROLINE; TALBOT; CECIL; BALTIMORE; ANNE ARUNDEL; FREDERICK; HOWARD; MONTGOMERY; BALTIMORE CITY

MA MIDDLESEX; SUFFOLK; WESSEX; NORFOLK; WORCESTER

MI WASHTENAW; MONROE; LIVINGSTON; JACKSON; WAYNE; LENAWEE

MO ST. LOUIS CITY; ST. CHARLES; ST. LOUIS

MS GREENE; HANCOCK, HARRISON; JACKSON

NE BANNER; BOX BUTTE; CHEYENNE; DAWES; DEUEL; SHERIDAN; SCOTTS BLUFF; MORRILL; KIMBALL; GARDEN

NJ HUDSON; MERCER, PASSAIC, ESSEX; EAST ORANGE; NEWARK; IRVINGTON; ORANGE

NY ULSTER; ORANGE; DUTCHESS; SULLIVAN; BRONX; QUEENS; KINGS; WESTCHESTER; SUFFOLK

NC ANSON; CABARRUS; CLEVELAND; GASTON; IREDELL; LINCOLN; UNION; STANLY; ROWAN; MECKLENBURG; DUPLIN; CUMBERLAND; JOHNSTON; HARNETT; SAMPSON

OH FRANKLIN; ATHENS; BELMONT; GALLIA; GUERNSEY; HARRISON; HOCKING; JACKSON; LAWRENCE; MEIGS; MONROE; MORGAN; MUSKINGUM; PERRY; PIKE; ROSS; SCIOTO; VINTON; WASHINGTON; DELAWARE; FAIRFIELD; LICKING; MADISON; PICKAWAY; UNION; ROSS

OK CIMARRON; BEAVER; HARPER; ALFALFA; WOODS; GRANT; KAY; ELLIS; WOODWARD; MAJOR; GARFIELD; DEWEY; NOBLE; BLAINE; KINGFISHER; LOGAN; PAYNE; ROGER MILLS; CUSTER; CANADIAN; OKLAHOMA; LINCOLN; BECKHAM; WASHITA; CADDO; GRADY; MCCLAIN; CLEVELAND; POTTAWATOMIE; SEMINOLE; HUGHES; HARMON; GREER; KIOWA; JACKSON; TILLMAN; COMANCHE; COTTON; STEPHENS; JEFFERSON; GARVIN; MURRAY; CARTER; LOVE; PONTOTOC; COAL; JOHNSTON; MARSHALL; ATOKA; BRYAN; PUSHMATAHA; CHOCTAW; MCCURTAIN
OR MULTNOMAH
PA LANCASTER; YORK
PR PONCE; JUANA DIAZ; PENUELAS; BAYAMON; TOA BAJA; DORADO; VEGA ALTA; TOA ALTA; NARANJITO; COMERIO; OROCOVIS; COROZAL; ARROYO
TN FAYETTE
TX EL PASO; CAMERON; WILLACY; HIDALGO
WA KING

State and Service Area of Project Periods Ending 6/30/03 or 9/29/03

AL COLBERT; CULLMAN; FRANKLIN; JACKSON; LAUDERDALE; LAWRENCE; LIMESTONE; MADISON; MARION; MARSHALL; MORGAN; WINSTON; MACON; BULLOCK; TALLAPOOSA; RUSSELL; LEE; CHAMBERS; MOBILE
AZ PIMA
CA LOS ANGELES; LONG BEACH; CONTRA COSTA; SAN FERNANDO VALLEY; SAN DIEGO, SHASTA, SONOMA
CT HARTFORD; NEW HAVEN
DE SUSSEX; NEW CASTLE; KENT
DC DISTRICT OF COLUMBIA
FL LEE; FT. MEYERS; DADE; MIAMI; LIBERTY; HIALEAH; LITTLE HAITI; OPPALAKA; ST. LUCIE; MARTIN; FT. PIERCE; INDIANTOWN; DUVAL; CITY OF JACKSONVILLE; ORLANDO; ORANGE; ST. JOHNS; ST. AUGUSTINE; BREVARD
GA BAKER; CALHOUN; DOUGHERTY; LEE; MITCHELL; WORTH; TERRELL; COLQUITT; THOMAS; GRADY; SEMINOLE; MILLER; EARLY; DECATUR; CLAY; CHATTAHOOCHEE; TALBOT; WEBSTER; CRISP; DOOLY; HARRIS; MACON; MARION; MUSCOGEE; QUITMAN; RANDOLPH; SCHLEY; SUMTER; TAYLOR; GLYNN; CAMDEN; MCINTOSH; LONG; LIBERTY; BRYAN; BALDWIN; BIBB; CRAWFORD; HANCOCK; HOUSTON; JASPER; JONES; MONROE; DEKALB; PUTNAM; TWIGGS; WASHINGTON; WILKINSON
IL COOK; ST. CLAIR; MADISON; JERSEY; MONROE; CLINTON
IA WOODBURY
KY JEFFERSON
LA CALCASIEU; ALLEN; BEAUREGARD; CAMERON; JEFFERSON DAVIS; ORLEANS; BOSSIER; SABINE; BIENVILLE; CLAIBORNE; DE SOTO; SHREVEPORT; NATCHITOCHES; RED RIVER; WEBSTER
MD CHARLES; PRINCE GEORGE'S; BALTIMORE CITY
MA ESSEX; MIDDLESEX; PLYMOUTH; BARNSTABLE
MN HENNEPIN; RAMSEY; WASHINGTON; ANOKA; CARVER; SCOTT; DAKOTA
MS BOLIVAR; COAHOMA; DESOTO; LEFLORE; MARSHALL; PANOLA; QUITMAN; TALLAHATCHIE; TATE; TUNICA; ATTALA; BOLIVAR; CARROLL; HOLMES; HUMPHREYS; LEFLORE; MONTGOMERY; SUNFLOWER; WASHINGTON; PIKE; LAWRENCE; LINCOLN; MARION; WALTHALL; TANGIGOAHOO;
NJ UNION; NEWARK
NM SANTA FE; LOS ALAMOS; SAN MIGUEL; MORA; HARDING; UNION; COLFAX; TAOS; RIO ARRIBA
NY BROOKLYN; MANHATTAN; KINGS; QUEENS; SULLIVAN; MANHATTEN; CHELSEA; BRONX
NC FRANKLIN; VANCE; WARREN; GRANVILLE; PERSON; BEAUFORT; BERTIE; CHOWAN; GATES; HYDE; MARTIN; PAMLICO; PITT; TYRRELL; WASHINGTON; PASQUOTANK; PERQUIMANS; NEW HANOVER; BLADEN; BRUNSWICK; WILMINGTON; ALAMANCE; CASWELL; CHATHAM; DAVIDSON; DAVIE; FORSYTH; GUILFORD; LEE; ORANGE; RANDOLPH; ROCKINGHAM; STOKES; SURRY; YADKIN; COLUMBUS; DUPLIN; ONSLOW; PENDER; WILSON; NASH; EDGECOMBE
OH CUYAHOGA; LORAIN; ASHTABULA; LAKE
PA ADAMS; BERKS; CHESTER; ERIE; FRANKLIN; FULTON; PHILADELPHIA; SCHUYLKILL; BEDFORD; BLAIR; CUMBERLAND; DAUPHIN; FULTON; HUNTINGDON; JUNIATA; LEBANON; MIFFLIN; PERRY
PR LARES; BARRANQUITAS; CAMUY; CIALES; CIDRA; COMERIO; COROZAL; FLORIDA; NARANJITO; HATILLO; PATILLAS; OROCOVIS
PR LOIZA; CANOVANAS; CAROLINA; RIO GRANDE; TRUJILLO ALTO
SC BERKELEY; CHARLESTON; DORCHESTER; HORRY; GEORGETOWN; WILLIAMSBURG; COLLETON; FLORENCE; AIKEN; ALLENDALE; BAMBERG; BARNWELL; CALHOUN; ORANGEBURG; GREENVILLE; ANDERSON; PICKENS; OCONEE; GREENWOOD; LAURENS; ABBEVILLE; SALUDA; MCCORMICK; EDGEFIELD; FAIRFIELD; RICHLAND; SUMTER
TN DAVIDSON; SHELBY
TX SHELBY; NACOGDOCHES; SAN AUGUSTINE; SABINE; NEWTON; JASPER; TYLER; ANGELINA; HOUSTON; TRINITY; POLK; HARDIN; JEFFERSON; SAN JACINTO; ORANGE; WALKER; MONTGOMERY; LIBERTY; CHAMBERS; GALVESTON; BRAZORIA; FORT BEND; AUSTIN; COLORADO; WALLER; WHARTON; MATAGORDA; BEXAR
VI US V.I. TERRITORY
VA ARLINGTON; FAIRFAX; LOUDOUN; PRINCE WILLIAM; CAROLINE; FREDERICKSBURG CITY; SPOTSYLVANIA; STAFFORD; WEST MORELNAD CITY
VA SOUTH RICHMOND; PETERSBURG CITY
WA BENTON; COLUMBIA; WALLA WALLA; YAKIMA; CLACKAMAS; MARION; MORROW; YAMHILL; UMATILLA; POLK; KING
WI KENOSHA; OZAUKEE; RACINE; WALWORTH; WASHINGTON; WAUKESHA; ASHLAND; BARRON; BAYFIELD; BROWN; BURNETT; CHIPPEWA; CLARK; DOOR; DOUGLAS; DUNN; EAU CLAIRE; FLORENCE; FOREST; KEWAUNEE; LANGLADE; LINCOLN; MANITOWOC; MARATHON; MARINETTE; MENOMINEE; OCONTO; ONEIDA; OUTAGAMIE; PIERCE; POLK; PORTAGE; PRICE; RUSK; SAWYER; ST. CROIX; TAYLOR; VILAS; WASHBURN; WOOD; MILWAUKEE; ROCK

*Funding Priorities and/or Preferences:* Preference for funding will be given to applicants servicing communities of color that are highly impacted by HIV/AIDS, and are supported by the communities of color proposed to be

served. Preference will also be given to Consolidated Heath Care Programs supported under section 330 of the Public Health Service Act.

*Estimated Amount of This Competition:* $62,672,000.

*Estimated Number of Awards To Be Made:* 106.

*Estimated Project Period:* 3 years.

HRSA 03–044 Funding for Early Intervention Services Grants: Existing Geographic Service Areas (EIEGS)

*Application Availability Date:* June 17, 2002 for project periods ending 12/31/02 and 3/31/03 and December 16, 2002 for project periods ending 6/30/03 and 9/29/03.

*Application Deadline:* October 1, 2002 for project periods ending 12/31/02 and 03/31/03 April 1, 2003 for project periods ending 06/30/03 and 09/29/03.

*Projected Award Date:* January 1, April 1 and July 1, and September 30, 2003.

*Program Contact Person:* Lois Eldred.

*Phone Number:* (301) 443–3327.

*E-mail: leldred@hrsa.gov.*

HRSA 03–045 HIV Services Planning Grants (SPG)

*Legislative Authority:* Public Health Service Act, section 2654(c); 42 USC 300ff-54(c).

*CFDA Number:* 93.918.

*Purpose:* The purpose of this grant program is to support eligible entities in their efforts to plan for the provision of high quality comprehensive HIV primary health care services in rural or urban underserved areas and communities of color. Planning grants support the planning process and do not fund any service delivery or patient care.

*Eligibility:* Eligible applicants must be health centers under Section 330(e), (g), or (h), grantees under Section 1001 (regarding family planning) other than States, comprehensive hemophilia diagnostic and treatment centers, Federally-qualified centers under section 1905(1)(2)(B) of the Social Security Act, or non profit private entities that provide comprehensive primary care services to populations at risk of HIV disease.

*Funding Priorities and/or Preferences:* In awarding these grants, preference will be given to applicants located in rural or urban underserved areas and specifically targeted to racial and ethnic minority populations impacted by HIV/AIDS where emerging or ongoing HIV primary health care services have not been adequately met.

*Review Criteria:* Final review criteria are included in the Planning Program Application Guidance.

*Estimated Amount of This Competition:* $2,000,000.

*Estimated Number of Awards:* 40.

*Estimated or Average Size of Each Award:* $50,000.

*Estimated Project Period:* 1 year.

HRSA 03–045 HIV Services Planning Grants (SPG)

*Application Availability Date:* December 2, 2002.

*Application Deadline:* April 4, 2003.

*Projected Award Date:* July 25, 2003.

*Program Contact Person:* Sylvia Trent-Adams.

*Phone Number:* (301) 443–2177.

*E-mail: strent-adams@hrsa.gov.*

HRSA 03–046 Ryan White Care Act Capacity Building Grants (RWCBG)

*Legislative Authority:* Public Health Service Act, Section 2654(c), 42 USC 300ff-54(c).

*CFDA Number:* 93.918.

*Purpose:* The purpose of this grant program is to support eligible entities in their planning efforts to strengthen their organizational infrastructure and enhance their capacity to develop, enhance or expand high quality HIV primary health care services in (1) rural or (2) urban underserved areas and (3) communities of color. The applicant must propose capacity building activities that develop, enhance, or expand a comprehensive continuum of outpatient HIV primary care services in their community through the applicant agency. Capacity building grant funds are intended for a fixed period of time (one to three years) and not for long-term activities.

*Eligibility:* Eligible applicants must be health centers under Section 330(e), (g), or (h), grantees under Section 1001 (regarding family planning) other than States, comprehensive hemophilia diagnostic and treatment centers, Federally-qualified centers under section 1905(1)(2)(B) of the Social Security Act, or non profit private entities that provide comprehensive primary care services to populations at risk of HIV disease.

*Funding Priorities and/or Preferences:* In awarding these grants, preference will be given to applicants that are seeking funds under (3) that are located in or near to the community(ies) of color they are intending to serve with these funds, and that have a documented history of service to the targeted community(ies) of color to be served with these funds.

*Review Criteria:* Final review criteria are included in the Capacity Building Program Application Guidance.

*Estimated Amount of This Competition:* $4,000,000.

*Estimated Number of Awards:* 26.

*Estimated or Average Size of Each Award:* Up to $150,000.

*Estimated Project Period:* 1 to 3 years.

HRSA 03–046 Ryan White Care Act Capacity Building Grants (RWCBG)

*Application Availability Date:* December 2, 2002.

*Application Deadline:* April 4, 2003.

*Projected Award Date:* July 25, 2003.

*Program Contact Person:* Sylvia Trent-Adams.

*Phone Number:* (301) 443–2177.

*E-Mail: strent-adams@hrsa.gov.*

HRSA 03–047 Special Projects of National Significance ‘‘ Models of Comprehensive Care for Caribbeans Living in the United States (SPCCL)

*Legislative Authority:* Public Health Service Act, section 2691; 42 USC 300ff–101.

*CFDA Number:* 93.928.

*Purpose:* Significant barriers to HIV/AIDS care have been identified among Caribbeans living in the United States. Among these are the lack of integration between HIV testing, clinical care services, community health centers, and the U.S.-resident Caribbean population; cultural and religious beliefs; lack of social support and emotional support information and services; the need for patient and provider training; systemic barriers which treat all Caribbeans alike; and severe stigma and discrimination within the migrant community.

This funding initiative will support 3–4 demonstration projects that provide improved models of comprehensive care for Caribbeans living in the United States. Potential model interventions could include: culturally relevant outreach, patient education and stigma reduction programs, building networks and technical assistance with Caribbean PWA communities, development and support for Community Advisory Boards, provider training programs, improved integration and collaboration between community-based organizations and clinical care facilities, the use of peer educators, and forming partnerships with faith-based organizations, technological innovations *i.e.* telehealth, telecommunications are encouraged.

The objective of this project is to provide financial support and technical assistance for improved models of care to Caribbean immigrants and migrants in U.S. areas where they are represented. Improvements in the number of Caribbeans accessing primary care services and retention in primary care services are outcomes that will be tracked through this initiative.

With regard to this initiative, all applicants must have significant

experience with issues of HIV prevention, HIV care and treatment, and the integration of these. It is important to distinguish that Caribbean peoples in the United States are not uniform, and therefore must not be considered through one lens. Appropriate language proficiency, cultural fluency, and acculturation are necessary factors to be considered for successful associations with Caribbean peoples.

*Eligibility:* Eligible applicants are public and private nonprofit entities, including faith-based and community-based organizations.

*Estimated Amount of This Competition:* $1,000,000.

*Estimated Number of Awards To Be Made:* 3–4.

*Estimated or Average Size of Each Award:* $250,000–$330,000.

*Estimated Project Period:* 4 years.

HRSA 03–047 Special Projects of National Significance '' Models of Comprehensive Care for Caribbeans Living in the United States (SPCCL)

*Application Availability Date:* January 17, 2003.

*Letter of Intent Deadline:* February 4, 2003.

*Application Deadline:* March 18, 2003.

*Projected Award Date:* August 1, 2003.

*Program Contact Person:* Barbara Aranda-Naranjo.

*Phone Number:* (301) 443–4149.

*E-mail: baranda-naranjo@hrsa.gov.*

HRSA 03–048 Special Projects of National Significance '' HIV Prevention Initiatives in Primary Care Settings (SPPCS)

*Legislative Authority:* Public Health Service Acts, section 2691; 42 USC 300ff–101.

*CFDA Number:* 93.928.

*Purpose:* This funding initiative will support 4–6 new demonstration projects focused on ''HIV Prevention Initiatives with HIV-infected Individuals in Primary Care Settings.'' Demonstration projects will work for four years with the SPNS (Special Projects of National Significance) program of the HIV/AIDS Bureau (HAB) and its Evaluation Center (funded in FY 2002). Both the Center and the demonstration project sites will focus on implementing and evaluating interventions for HIV-positive individuals in primary care settings. Interventions targeting HIV-infected men and women are needed to prevent transmission to uninfected individuals and to prevent re-infection among people already infected with the virus. The HIV primary care setting may provide an opportunity to reduce new transmissions through clinician-delivered risk assessment and prevention counseling and behavioral interventions. Clinicians can play an instrumental role in assessing risk, determining the level of need for prevention education and other services, and assessing where that need will best be addressed. Patients needing more intensive or ongoing behavioral interventions can be identified by clinicians and referred for services such as case management, medical services, mental health services, and social services. By making referrals to community resources, clinicians can help their patients find personally relevant support for changing their behavior, and maximize limited time during clinic visits for addressing other health concerns. To determine the efficacy of a clinician-delivered approach, the feasibility of potential intervention models needs to be assessed in terms of cost, time, and clinician skill. The models should also describe the role of service providers and practitioners in clinical settings and their role in providing prevention and making referrals for behavioral counseling. Technological innovations, *i.e.* telehealth, telecommunication, etc. are encouraged.

*Eligibility:* Eligible applicants are public and private nonprofit entities, including faith-based and community-based organizations. Applicants must be providers currently funded under Titles I–IV of the Ryan White CARE Act. With regard to this initiative, all applicants must have significant experience with issues of HIV prevention, HIV care and treatment, and the integration of these.

*Estimated Amount of This Competition:* $2,600,000.

*Estimated Number of Awards To Be Made:* 4–6.

*Estimated or Average Size of Each Award:* $400,000.

*Estimated Project Period:* 4 years.

HRSA 03–048 Special Projects of National Significance '' HIV Prevention Initiatives in Primary Care Settings (SPPCS)

*Application Availability Date:* April 5, 2003.

*Letter of Intent Deadline:* April 30, 2003.

*Application Deadline:* June 30, 2003.

*Projected Award Date:* September 30, 2003.

*Program Contact Person:* Faye E. Malitz.

*Phone Number:* (301) 443–3259.

*E-mail: fmalitz@hrsa.gov.*

HRSA 03–049 Telehealth Grant Program (THGP)

*Legislative Authority:* Public Health Service Act, Section 330(A).

*CFDA Number:* 93.211.

*Purpose:* Funds will be used to support rural telehealth grant projects, including the funding of some smaller, more narrowly defined, rural community-based projects. The grants awarded will support health providers to improve access to health services, develop community-based clinical telemedicine, and set up distance-learning education projects for health professionals, patients, and their families in rural communities. Emphasis will be placed on management of chronic conditions, such as diabetes, asthma and other chronic lung disease, osteoporosis, and congestive heart failure in a variety of health care settings, from patient homes to schools and other community settings.

*Eligibility:* Applicants should be nonprofit entities, including faith-based or community-based organizations that provide health care services to rural communities through a telehealth network. Network members may be nonprofit or for-profit rural entities, but the network grantee must be a nonprofit entity. The telehealth network shall be composed of:

(a) Multispecialty entity that is located in an urban or rural area, which can provide 24-hour a day access to a range of specialty care; and

(b) At least two rural health care facilities of which at least one shall be a community-based health care provider such as a rural hospital; rural physician office; rural health clinic; rural community health clinic; rural nursing home; migrant health center or federally qualified health center; health care provider, including a pharmacist in private practice; rural health clinic; local health department; long-term care provider; home health care provider; outpatient mental health service provider; local or regional emergency health care provider; or oral health care provider.

*Funding Priorities or Preferences:* To receive a preference, the applicant must meet at least one of the following requirements:

(a) A majority of health care providers serving in the area or region to be served by the network;

(b) Any federally qualified health centers, rural health clinics, and local public health departments serving in the area or region;

(c) Outpatient mental health providers serving in the area or region; or

(d) Appropriate social service providers, such as agencies on aging,

school systems, and providers under the woman, infants and children program, to improve access to and coordination of health care services.

In addition, the applicant will receive a preference, if it meets either of the following requirements:

(a) promotes local connectivity with areas, communities, or populations to be served through the project; and

(b) demonstrates that health care information has been integrated into the project.

*Expenditures:* Not less than 50 percent of the grant award is expended in a rural area or to provide services to residents of rural areas; no more than 40 percent of the total grant award may be used to purchase, lease or install equipment; and no more than 20 percent of the amount provided can be used to pay for the indirect costs associated with carrying out the purpose of this grant.

*Matching or Cost Sharing Requirement:* Match is not required, however, cost participation is encouraged.

*Estimated Amount of This Competition:* $5,000,000.

*Estimated Number of Awards To Be Made:* 25–30.

*Estimated or Average Size of Each Award:* $200,000 per year for up to three years.

*Estimated Project Period:* 3 years.

HRSA 03–049 Telehealth Grant Program (THGP)

*Application Availability Date:* December 17, 2002.

*Letter of Intent Deadline:* February 5, 2003.

*Application Deadline:* March 17, 2003.

*Projected Award Date:* September 1, 2003.

*Program Contact Person:* Amy Barkin.

*Phone Number:* 301–443–0447.

*E-mail: abarkin@hrsa.gov.*

*Maternal and Child Health Bureau*

HRSA 03–050 Genetic Services—Grants To Support Comprehensive Medical Care for Cooley's Anemia/Thalassemia (GSCAT)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of this grant activity is to fund up to three projects that will support the implementation of a model system of comprehensive care and medical management for individuals and families at risk or affected by Cooley's Anemia/Thalassemia. Such model should involve a complex network of services ranging from screening, diagnosis, counseling, and psychosocial services to specialized medical care including regular red blood cell transfusions and the monitoring, prevention, and treatment of iron overload resulting from repeated transfusions.

*Eligibility:* As cited in 42 CFR 51a.3 (a), any public or private entity, including an Indian Tribe or tribal organization (as those terms are defined at 25 U.S.C. 450b) is eligible to apply for Federal funding. Community-based organizations, including faith-based organizations, are eligible to apply.

*Funding Priorities or Preferences:* Preference will be given to previously funded grantees who have developed and maintained a system of comprehensive care and medical management for individuals and families at risk for or affected by Cooley's Anemia/Thalassemia. Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $525,000.

*Estimated Number of Awards To Be Made:* 3.

*Estimated or Average Size of Each Award:* Up to $175,000.

*Estimated Project Period:* 3 Years.

HRSA 03–050 Genetic Services—Grants To Support Comprehensive Medical Care for Cooley's Anemia/Thalassemia (GSCAT)

*Application Availability Date:* December 13, 2002.

*Letter of Intent Deadline:* January 17, 2003.

*Application Deadline:* March 18, 2003.

*Projected Award Date:* September 1, 2003.

*Program Contact Person:* Marie Y. Mann.

*Phone Number:* (301) 443–1080.

*E-mail Address: Cdiener@hrsa.gov.*

HRSA 03–051 Promoting Integration of State Health Information Systems and Newborn Screening Service Systems for Monitoring and Ensuring Quality Services to Newborns and Children With or at Risk for Heritable Disorders-Cooperative Agreement (ISNSS)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose is two-fold: to enhance and expand integrated State health information systems to monitor access to care and outcomes related to maternal and child health; and to enhance, expand and improve State Genetic Newborn Screening Programs (screening, counseling, testing, follow-up and sub-specialty services) and better integrate these programs with the State Title V Community-based System of Services for Children with Special Health Care Needs (CSHCN).

As part of the development of health information systems, the State must link newborn genetic screening program data with other related health data (*e.g.,* vital statistics, immunization registries, hearing screening program data, birth defects registries, WIC data, and Medicaid data). Projects must monitor health outcomes of newborns identified with genetic disorders within the Genetic Newborn Screening Program and demonstrate that programs with integrated data systems result in improved access and integration of services for children who have or are at risk of having heritable disorders in the State Title V Community-based System of Services.

Under the terms of this cooperative agreement, in addition to the required monitoring and technical assistance, Federal responsibilities will include: (1) Participation, as appropriate, in meetings conducted during the period of the cooperative agreement; (2) ongoing review of activities and procedures to be established and implemented for accomplishing the proposed project; (3) review of project information prior to dissemination; (4) review of information on project activities; (5) assistance with the establishment of contacts with Federal and State agencies, Maternal and Child Health Bureau (MCHB) grant projects, and other contacts that may be relevant to the project's mission and referrals to these agencies; and (6) assistance in the establishment of State and Federal interagency partnerships, collaboration, and cooperation that may be necessary for carrying out the project.

*Eligibility:* As cited in 42 CFR 51a.3.

*Funding Priorities or Preferences:* Preference will be given to those States, Jurisdictions, or Territories that have received a previous Genetic Services Grant under the initiative, ''State Development Grants for Newborn Screening Efforts and Infrastructure Development,'' as well as those States, Jurisdictions or Territories with previous grants under the initiative ''Data Utilization and Enhancement.'' States, Jurisdictions or Territories that have received a Genetic Services Implementation Grant *will not* be considered.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of this Competition:* $1,500,000.

*Estimated Number of Awards To Be Made:* 5.

*Estimated or Average Size of Each Award:* $300,000.

*Estimated Project Period:* 4 years.

HRSA 03–051 Promoting Integration of State Health Information Systems and Newborn Screening Service Systems for Monitoring and Ensuring Quality Services to Newborns and Children With or at Risk for Heritable Disorders—Cooperative Agreement (ISNSS)

*Application Availability Date:* August 30, 2002.

*Letter of Intent Deadline:* September 30, 2002.

*Application Deadline:* December 3, 2002.

*Projected Award Date:* April 1, 2003.

*Program Contacts:* Michele A. Lloyd-Puryear, or Michael Kogan.

*Phone Numbers:* (301) 443–1080 (Lloyd-Puryear), (301) 443–8041 (Kogan).

*E-mails: mpuryear@hrsa.gov, mkogan@hrsa.gov.*

HRSA 03–052 National Oral Health Policy Center (OHSD)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of this policy center is to identify and explore critical oral health policy issues. The center will serve as a forum to convene experts to examine oral health access issues, and facilitate the development of programs and materials that increase access to preventive, early intervention and restorative dental services for children and their families. Further, States will be assisted in assessing and evaluating implementation strategies that teach State Medicaid, State Children's Insurance Program (SCHIP), and public and private entities interventions for increasing access to oral health services for the underserved in keeping with the Surgeon General's Report on Oral Health and other Federal reports calling for increasing oral health access and working towards the elimination of health status disparities.

*Eligibility:* As cited in 42 CFR 51a.3 (a), any public or private entity, including an Indian Tribe or tribal organization (as those terms are defined at 25 U.S.C. 450b) is eligible to apply for Federal funding under this Part. Community-based organizations, including faith-based organizations, are eligible to apply.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of this Competition:* $225,000.

*Estimated Number of Awards:* 1.

*Estimated Project Period:* 5 years.

HRSA 03–052 National Oral Health Policy Center (OHSD)

*Application Available:* September 17, 2002.

*Letter of Intent Deadline:* November 15, 2002.

*Application Deadline:* December 16, 2002.

*Projected Award date:* June 1, 2003.

*Contact Persons:* John P. Rossetti, or Mark Nehring.

*Phone Numbers:* (301) 443–3177 (Rossetti), (301) 443–3449 (Nehring).

*E-mails: jrossetti@hrsa.gov, mnehring@hrsa.gov.*

HRSA 03–053 Integrated Health and Behavioral Health Care for Children, Adolescents and their Families—Implementation Grants (IHBHC)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* These three-year implementation grants are designed to operationalize the models of service integration established during a 2-year planning process by current grantees of this program. This implementation grant activity will allow initializing of the established formalized working relationships among community resources, specifically the physical and psychosocial primary health care, comprehensive mental health services and substance abuse prevention and treatment services as required under the previous planning grant announcement. The implementation activities are to include the necessary efforts to initiate and establish the model of integration developed over the two-year planning time, including but not limited to: (1) Integration of clinical/social services; (2) organizational structure; (3) staffing; (4) facilities; (5) information systems, including protection of confidentiality; and (6) fiscal arrangements.

*Eligibility:* Eligibility is limited to grantees that have previously received awards under Integrated Health and Behavioral Health Care for Children, Adolescents and Their Families—Planning Program.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $400,000.

*Estimated Number of Awards To Be Made:* 2.

*Estimated Project Period:* 3 years.

HRSA 03–053 Integrated Health and Behavioral Health Care for Children, Adolescents and Their Families—Implementation Grants (IHBHC)

*Application Availability:* December 9, 2002.

*Letter of Intent Deadline:* January 10, 2003.

*Application Deadline:* February 10, 2003.

*Projected Award Date:* May 1, 2003.

*Program Contact Person:* Sharon Adamo.

*Phone Number:* (301) 443–3972.

*E-mail: Sadamo@hrsa.gov.*

HRSA 03–054 State Maternal and Child Health Early Childhood Comprehensive Systems Grants (SECCS)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of this program is to support States to plan, develop, and ultimately implement collaborations and partnerships to support families and communities in their development of children that are healthy and ready to learn at school entry. This grant initiative combines Maternal and Child Health Bureau's (MCHB) Early Childhood Health Strategic Plan with the State and local systems building initiatives supported through MCHB's Community Integrated Services Systems (CISS) grants program since 1992. While funding will be in two stages, Planning and Implementation, planning grants only are offered at this time. Plans would anticipate the implementation of systems which would include, but not be limited to, the following initiatives:

1. Access to medical homes providing comprehensive physical and child development services for all children in early childhood including children with special health care needs and assessment, intervention, and referral of children with developmental, behavioral and psycho-social problems.

2. Availability of services to address the needs of children at risk for the development of mental health problems and service delivery pathways to facilitate entrance of at risk children into appropriate child development and mental health delivery systems.

3. Early care and education services for children from birth through five years of age that support children's early learning, health, and development of social competence.

4. Parent education services that provide support to parents in their role as prime educators of their children.

5. Family support services that address the stressors impairing the ability of families to nurture and support the healthy development of their children.

Through planning grants, States would be expected to provide leadership in the development of cross systems service integration. They would

work closely with other State public and private agencies to coordinate their efforts into a common focus on assuring the availability of a broad range of early childhood intervention services. Examples of such agencies would be the State administrations for Mental Health, Public Welfare, Education, Child Welfare, local and county health departments, March of Dimes, Easter Seal Society, *etc.* This grant should facilitate: (1) A completed needs assessment with respect to early childhood intervention: (2) a completed plan for action based on the needs assessment; and (3) documented evidence of the contribution and commitment of their partners to carry out this plan. The achievement of these essential goals is requisite for States to apply for an implementation grant.

*Eligibility:* As cited in 42 CFR 51a.3.

*Limited Competition:* This competition is limited to the 59 State, jurisdiction, or Territory Title V agencies.

*Estimated amount of This Competition:* $5,900,000.

*Estimated Number of Awards To Be Made:* 59.

*Estimated or Average Size of Each Award:* $100,000.

*Estimated Project Period:* 2 Years.

*Review Criteria:* Final criteria are included in the application kit.

HRSA 03–054 State Maternal and Child Health Early Childhood Comprehensive Systems Grants (SECCS)

*Application Availability Date:* October 1, 2002.

*Letter of Intent Deadline:* November 1, 2002.

*Application Deadline:* January 3, 2003.

*Project Award Date:* March 31, 2003.

*Program Contact Person:* Joseph A. Zogby.

*Phone Number:* (301) 443–4393.

*E-mail: jzogby@hrsa.gov.*

HRSA 03–055 Transitioning Healthy Child Care America Programs (THCCA)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of this program is to plan for the sustainability of the programs developed in each participating State under the Healthy Child Care America 2000 (HCCA) Grants, and the effective integration of their activities into each State's system of services for children in early childhood. Those activities contain three component areas: quality assurance, these grants promoted the implementation of health and safety standards for child care, which were developed under the leadership of the Maternal and Child Health Bureau (MCHB); infrastructure building, these grants supported the building of State-based child care health consultant systems; and access to health services, these grants promoted the assurance that child health insurance programs, such as Medicaid and State Children's Insurance Program (SCHIP), provide access to a medical home for children in child care programs.

Each HCCA grantee along with their State health and child care administration partners must develop a two-year plan to support sustainability of the HCCA objectives as these programs are integrated into the State's system of services for early childhood health. HCCA transition planning must be well coordinated with the State Early Childhood Systems Planning Grants, integrating the HCCA program objectives into the child care/early care and education component of each State's Early Childhood Systems Planning Grant.

The transition supported under this grant program is the culmination of a seven-year joint effort with the States on the part of the MCHB and the Administration for Children and Families, inclusive of the four-year Health Systems Development in Child Care Grants and the three-year Healthy Child Care 2000 Grants currently entering their last year of funding.

*Eligibility:* As cited in 42 CFR 51a.3.

*Special Considerations:* State and/or private non-profit health or child care entities which can carry out programmatic expectations in relation to planning for the sustainability of quality assurance, infrastructure development, and statewide health care enrollment outreach activities begun under the Healthy Child Care America 2000 Grants.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount This Competition:* $2,650,000.

*Estimated Number of Awards To Be Made:* 53.

*Estimated or Average Size of Each Award:* $50,000.

*Estimated Project Period:* 2 Years.

HRSA 03–055 Transitioning Healthy Child Care America Programs (THCCA)

*Application Availability Date:* September 3, 2002.

*Letter of Intent Deadline:* October 1, 2002.

*Application Deadline:* November 1, 2002.

*Projected Award Date:* February 1, 2003.

*Program Contact Person:* Phyllis Stubbs.

*Phone Number:* (301) 443–4489.

*E-mail: Pstubbs@hrsa.gov.*

HRSA 03–056 Leadership Development for Implementation of Systems of Care for Children and Youth with Special Health Care Needs (CICS)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* This Cooperative Agreement will provide support to State Title V Children with Special Health Care Needs (CSHCN) Programs in the implementation of the Healthy People (HP) 2010 Objective designed to ''increase the proportion of States and territories with service systems for children with special health care needs.'' The activity is based upon the six elements of the National Agenda for Children with Special Health Care Needs through national leadership activities. These activities should include, but not be limited to: ongoing information sharing between State programs, ongoing sharing of State plans pertaining to HP 2010 and onging collaborative planning, mentorship and training for State Title V CSHCN leadership.

*Federal Involvement:* Federal involvement will be listed in the application materials.

*Eligibility:* As cited in 42 CFR 51a.3(a), any public or private entity, including an Indian Tribe or tribal organization (as those terms are defined at 25 U.S.C. 450b) is eligible to apply. Community-based organizations, including faith-based organizations, are eligible to apply.

*Funding Priorities or Preferences:* Special consideration may be given to programs that include a distance education component.

*Estimated Amount of this Competition:* $500,000.

*Estimated Number of Awards To Be Made:* 1.

*Estimated Project Period:* 3 years.

HRSA 03–056 Leadership Development for Implementation of Systems of Care for Children and Youth with Special Health Care Needs (CICS)

*Application Availability Date:* September 13, 2002.

*Letter of Intent Deadline:* January 3, 2003.

*Application Deadline:* February 14, 2003.

*Projected Award Date:* June 1, 2003.

*Program Contact Person:* Diana Denboba.

*Phone Number:* (301) 443–9332.

*E-Mail: ddenboba@hrsa.gov.*

HRSA 03–057 Screening for Multiple Behavioral Risk Factors During the Preconception Through Postpartum Period (SMBRF)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* In recent years there has been emphasis on encouraging family planning and prenatal providers to integrate risk assessment for behavioral problems into the clinic setting. However, frequently providers only screen for a select number of behavioral risk factors, such as smoking, substance use, depression, and domestic violence. The purpose of this demonstration initiative is to develop and implement a short, easy-to-use instrument to identify multiple behavioral risk factors and incorporate the use of the tool into the health care setting. Applicants can implement their program in either a family planning, prenatal, or postpartum clinic setting. In addition, the applicant must ensure that comprehensive assessment services are available for those with a positive screen, as well as a well-coordinated referral system.

*Eligibility:* As cited in 42 CFR 51a.3(a), any public or private entity, including an Indian tribe or tribal organization (as those terms are defined at 25 U.S.C. 450b) is eligible to apply for Federal funding. Community-based organizations, including faith-based organizations, are eligible to apply.

*Estimated Amount of This Competition:* $450,000.

*Estimated Number of Awards To Be Made:* 3.

*Estimated or Average Size of Each Award:* $150,000.

*Estimated Project Period:* 3 years.

HRSA 03–057 Screening for Multiple Behavioral Risk Factors During the Perconception Through Postpartum Period (SMBRF)

*Application Availability Date:* October 22, 2002.

*Letter of Intent Deadline:* November 22, 2002.

*Application Deadline:* January 6, 2003.

*Projected Award Date:* June 1, 2003.

*Program Contact Person:* Karen Hench.

*Phone Number:* (301) 443–5720.

*E-mail: khench@hrsa.gov.*

HRSA 03–058 Sprans Community-Based Abstinence Education Project Grants (CBAE)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of the SPRANS Community-Based Abstinence Education Project Grants is to provide support to public and private entities for the development and implementation of abstinence education programs for adolescents, ages 12 through 18, in communities across the country. Projects funded through the SPRANS Community-Based Abstinence Education grant program must promote abstinence-only education as defined by section 510 of Title V of the Social Security Act and agree not to provide a participating adolescent any other education regarding sexual conduct in the same setting.

*Eligibility:* As cited in 42 CFR 51a.3 (a), any public or private entity, including an Indian Tribe or tribal organization (as those terms are defined at 25 U.S.C. 450b) is eligible to apply for Federal funding. For example, State agencies responsible for the administration of the Section 510 Abstinence Education Grant, non-profit organizations and other community-based organizations, including faith-based organizations, are eligible to apply.

*Funding Priorities or Preferences:* Priority for funding will be given to entities in local communities which demonstrate a strong record of support for abstinence education among adolescents.

*Special Considerations:* To ensure that there is a national distribution of grantees, special consideration may be given to highly ranked applications in States that do not have a currently funded SPRANS Community-Based Abstinence Education Project Grant.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $30 million.

*Estimated Number of Awards to be Made:* Up to 90.

*Estimated or Average Size of Each Award:* $250,000 to $800,000.

*Estimated Project Period:* 3 years.

HRSA 03–058 Sprans Community-Based Abstinence Education Project Grants (CBAE)

*Application Availability Date:* November 15, 2002.

*Letter of Intent Deadline:* December 6, 2002.

*Application Deadline:* January 21, 2003.

*Projected Award Date:* June 1, 2003.

*Program Contact Person:* Michele Lawler.

*Phone Number:* (301) 443–5839.

*E-mail: mlawler@hrsa.gov.*

HRSA 03–059 New Investigators in Maternal and Child Heatlh (MCH) Research: Dissertation Awards (RDA)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The Maternal and Child Health Bureau supports the education and training of maternal and child health professionals who show promise to become leaders in the MCH field through teaching, research, clinical practice, and/or administration and policymaking. The purpose of this program is to increase opportunities for MCH trainees to conduct applied research, to strengthen the research training and experience of the next generation of MCH leaders, and to launch new investigators in the field by supporting research conducted by doctoral candidates in maternal and child health.

*Eligibility:* As cited in 42 CFR 51a.3(b), only public or nonprofit private institutions of higher learning may apply for training funds.

*Funding Priorities or Preferences:* Preference will be given to current recipients of MCHB-supported long-term leadership training grants.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $150,000.

*Estimated Number of Awards To Be Made:* 5.

*Estimated or Average Size of Each Award:* Up to $30,000.

*Estimated Project Period:* 1 Year.

HRSA 03–059 New Investigators in Maternal and Child Health (MCH) Research: Dissertation Awards (RDA)

*Application Availability Date:* December 2, 2002.

*Letter of Intent Deadline:* January 15, 2003.

*Application Deadline:* February 28, 2003.

*Projected Award Date:* July 1, 2003.

*Program Contact Person:* Hae Young Park.

*Phone Number:* (301) 443–2127.

*E-mail: hpark@hrsa.gov.*

HRSA 03–060 Maternal and Child Health (MCH) Research Program (MCHR)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of this program is to support applied research relating to maternal and child health services, which shows promise of substantial contribution to the advancement of current knowledge pool, and when used

in States and communities should result in health and health services improvements.

*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit institutions of higher learning and public or private nonprofit agencies engaged in research or in programs relating to maternal and child health and/or services for children with special health care needs may apply.

*Funding Priorities or Preferences:* Fifteen priority issues/questions selected from 11 broadly demarcated areas of program concern, and keyed to goals and objectives of the Maternal and Child Health Bureau and HRSA strategic plans, will be given priority for funding. The priority consists of a 10 percent adjustment to the score assigned to an application when recommended for support by the MCH Research Review Committee. The 15 issues/questions selected from the 11 broadly demarcated areas of program concern are detailed in the guidance material contained in the application kit.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $2,000,000.

*Estimated Number of Awards To Be Made:* 9.

*Estimated or Average Size of Each Award:* $220,000.

*Estimated Project Period:* 1 to 4 years.

HRSA 03–060 Maternal and Child Health (MCH) Research Program (MCHR)

*Application Availability Date:* Continuously.

*Application Deadline:* August 15, 2002, March 3, 2003, August 15, 2003.

*Projected Award Date:* January 1, 2003, September 1, 2003, January 1, 2004.

*Program Contact Person:* Kishena C. Wadhwani.

*Phone Number:* (301) 443–2207.

*E-mail: kwadhwan@hrsa.gov.*

HRSA 03–061 Maternal and Child Heatlh (MCH) Leadership Education in Developmental-Behavioral Pediatrics (BPT)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of this grant is to enhance behavioral, psychosocial, and developmental aspects of pediatric care. This is to be accomplished through: (1) support for fellows in developmental-behavioral pediatrics preparing for leadership roles as teachers, investigators, and clinicians advancing the field of developmental/behavioral pediatrics; and (2) providing pediatric practitioners, residents, and medical students with essential biopsychosocial knowledge and clinical expertise.

*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit private institutions of higher learning may apply for training grants.

*Funding Priorities or Preferences:* Preference will be given to Departments of Pediatrics with an identifiable developmental/behavioral pediatrics unit/program within accredited medical schools in the United States. Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,300,000.

*Estimated Number of Awards To Be Made:* 8–10.

*Estimated or Average Size of Each Award:* $145,000.

*Estimated Project Period:* 5 years.

HRSA 03–061 Maternal and Child Health (MCH) Leadership Education in Developmental-Behavioral Pediatrics (BPT)

*Application Availability Date:* September 30, 2002.

*Letter of Intent Deadline:* October 28, 2002.

*Application Deadline:* December 20, 2002.

*Projected Award Date:* July 1, 2003.

*Program Contact Person:* Laura Kavanagh.

*Phone Number:* (301) 443–2254.

*E-mail: lkavanagh@hrsa.gov.*

HRSA 03–062 Maternal and Child Health (MCH) Centers for Leadership in Communication Disorders Education (CDT)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* This training program focuses on leadership education in communication disorders through: (1) Graduate training of speech/language pathologists and audiologists for maternal and child health leadership roles in education, service, research, administration, and advocacy in programs providing health and related services for populations of infants, children, and adolescents, particularly children with special health care needs; (2) development and dissemination of curricula, distance learning teaching modules, and other educational resources to enhance MCH content in communication disorders training programs; and (3) continuing education, consultation, and technical assistance targeted to the needs of the MCH community.

*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit private institutions of higher learning may apply for training grants.

*Funding Priorities or Preferences:* Preference will be given to graduate programs in communication disorders focusing on the health of women, infants, children and adolescents. Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $408,000.

*Estimated Number of Awards To Be Made:* 3.

*Estimated or Average Size of Each Award:* $136,000.

*Estimated Project Period:* 5 years.

HRSA 03–062 Maternal and Child Health (MCH) Centers for Leadership in Communication Disorders Education (CDT)

*Application Availability Date:* November 15, 2002.

*Letter of Intent Deadline:* January 3, 2003.

*Application Deadline:* February 10, 2003.

*Projected Award Date:* July 1, 2003.

*Program Contact Person:* Aaron Favors.

*Phone Number:* (301) 443–0392.

*E-mail: afavors@hrsa.gov.*

HRSA 03–063 Leadership Education Excellence in Meternal and Child Health Nursing (NURT)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* The purpose of this program is to provide graduate training of nurses for leadership roles in maternal and child health, including women's health and the care of pregnant women, infants, children, and adolescents in community/public health programs. This is to be accomplished by advancing the knowledge and skills of nursing health professionals and enhancing their effectiveness in: (a) Community/public health programs providing maternal and child health services; (b) academia; and/or (c) clinical settings.

*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit private institutions of higher learning may apply for training grants.

*Funding Priorities or Preferences:* Preference will be given to graduate programs in maternal and pediatric nursing in an accredited school of nursing. Special consideration may be

given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,100,000.

*Estimated Number of Awards To Be Made:* 5 to 7.

*Estimated or Average Size of Each Award:* $180,000.

*Estimated Project Period:* 5 Years.

HRSA 03–063 Leadership Education Excellence in Maternal and Child Health Nursing (NURT)

*Application Availability Date:* October 25, 2002.

*Letter of Intent Deadline:* November 22, 2002.

*Application Deadline:* January 17, 2003.

*Projected Award Date:* July 1, 2003.

*Program Contact Person:* Nanette H. Pepper.

*Phone Number:* (301) 443–6445.

*E-mail: npepper@hrsa.gov.*

HRSA 03–064 Leadership Education Excellence in Maternal and Child Health Nutrition (NUTT)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* This program provides graduate training for nutritionists to assume leadership roles in improving the nutritional status of women, infants, children, and adolescents. The training will prepare program participants to become leaders in public health programs, clinical settings, and/or academic settings.

*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit private institutions of higher learning may apply for training grants.

*Funding Priorities or Preferences:* Accredited institutions with an established public health nutrition graduate program will be given preference. Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,100,000.

*Estimated Number of Awards To Be Made:* 6 to 7.

*Estimated or Average Size of Each Award:* $180,000.

*Estimated Project Period:* 5 Years.

HRSA 03–064 Leadership Education Excellence in Maternal and Child Health Nutrition (NUTT)

*Application Availability Date:* October 25, 2002.

*Letter of Intent Deadline:* November 22, 2002.

*Application Deadline:* January 17, 2003.

*Projected Award Date:* July 1, 2003.

*Program Contact Person:* Denise Sofka.

*Phone Number:* (301) 443–0344.

*E-mail: dsofka@hrsa.gov.*

HRSA 03–065 Maternal and Child Health (MCH) Centers for Leadership in Public Health Social Work Education (SWT)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* To provide a national focus on leadership in public health social work education through: (1) Graduate training of public health social workers for leadership roles in education, service, research, administration, and advocacy related to programs providing health and related services for populations of mothers and children (infants through adolescents), including those with special health care needs; (2) development and dissemination of curricula, teaching models and other educational resources to enhance MCH content in social work training programs; and (3) continuing education, consultation, and technical assistance in public health social work targeted to the needs of the MCH community.

*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit private institutions of higher learning may apply for training grants.

*Funding Priorities or Preferences:* Preference will be given to graduate programs whose curricula focus on both social work and public health. Programs may be in Schools of Social Work accredited by the Council on Social Work Education (CSWE), or in Schools of Public Health with a social work emphasis accredited by the Council on Education in Public Health (CEPH). Joint degree programs must have a documented affiliation agreement. Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $420,000.

*Estimated Number of Awards To Be Made:* 3.

*Estimated or Average Size of Each Award:* $140,000.

*Estimated Project Period:* 5 years.

HRSA 03–065 Maternal and Child Health (MCH) Centers for Leadership in Public Health Social Work Education (SWT)

*Application Availability Date:* October 25, 2002.

*Letter of Intent Deadline:* November 22, 2002.

*Application Deadline:* January 17, 2003.

*Projected Award Date:* July 1, 2003.

*Program Contact Person:* Diana L. Rule.

*Phone Number:* (301) 443–2190.

*E-mail: drule@hrsa.gov.*

HRSA 03–066 Continuing Education and Development Collaborative Office Rounds (CECOR)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.110.

*Purpose:* To foster joint pediatrics-child psychiatry continuing education in the psychosocial developmental aspects of child health, utilizing a study group approach that emphasizes the practical challenges confronted by community based practitioners. Specific objectives must: (1) Enhance understanding of psychosocial aspects of child development, disorders, and disability and increase practitioners' ability to help children and families deal with these issues; (2) expand power to discriminate between transient disturbances and more serious psychiatric disorders which require referral as needed; (3) promote collaboration between pediatricians and child psychiatrists; and (4) facilitate a more comprehensive approach to health supervision, such as outlined in *Bright Futures: Guidelines for Health Supervision of Infants, Children and Adolescents.*

*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit private institutions of higher learning may apply for training grants.

*Funding Priorities or Preferences:* Departments of Pediatrics and Divisions/Departments of Child Psychiatry in accredited U.S. Medical Schools. Either program may submit the application, but they must have a documented agreement to develop and implement the training jointly. Medical schools that have multiple pediatrics and/or child psychiatry programs are limited to one application. Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $180,000.

*Estimated Number of Awards To Be Made:* 12.

*Estimated or Average Size of Each Award:* $15,000.

*Estimated Project Period:* 5 years.

HRSA 03–066 Continuing Education and Development Collaborative Office Rounds (CECOR)

*Application Availability Date:* September 30, 2002.
*Letter of Intent Deadline:* October 28, 2002.
*Application Deadline:* December 9, 2002.
*Projected Award Date:* July 1, 2003.
*Program Contact Person:* Diana L. Rule.
*Phone Number:* (301) 443–2190.
*E-mail: drule@hrsa.gov.*

HRSA 03–067 HRSA/MCHB Doctoral Support Training Program: Awards for Enhancement of Epidemiology Applied to MCH (EPI)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.
*CFDA Number:* 93.110.
*Purpose:* The Maternal and Child Health Bureau is committed to developing and enhancing MCH epidemiologic capacity at the State and local level. The purpose of this program is to increase the number of doctoral candidates who elect a relevant MCH epidemiologic analytic issue, applied to the maternal and child population, as the basis for their research and dissertation, utilizing program information and data from a state, county, or city department of health. Candidates are to produce creative, well thought out, dissertation topics of interest that reflect the current trend of MCH and health services at the State and local level. Collaboration with a State or local department of health for the doctoral research is strongly recommended.
*Eligibility:* As cited in 42 CFR 51a.3 (b), only public or nonprofit private institutions of higher learning may apply for training grants.
*Special Considerations:* Special considerations will be given to those schools previously funded under this grant program.
*Estimated Amount of This Competition:* $234,000.
*Estimated Number of Awards To Be Made:* 9.
*Estimated or Average Size of Each Award:* $26,000.
*Estimated Project Period:* 3 years.

HRSA 03–067 HRSA/MCHB Doctoral Support Training Program: Awards for Enhancement of Epidemiology Applied to MCH (EPI)

*Application Availability Date:* August 16, 2002.
*Letter of Intent Deadline:* September 16, 2003.
*Application Deadline:* November 15, 2002.
*Projected Award Date:* March 31, 2003.
*Program Contact Person:* Christina Park.
*Phone Number:* (301) 443–0755.
*E-mail: Cpark1@hrsa.gov.*

HRSA 03–068 Healthy Tomorrows Partnership for Children Program (HTPC)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.
*CFDA Number:* 93.110.
*Purpose:* The purpose of this program is to stimulate innovative community-based programs that employ prevention strategies to promote access to health care for mothers and children nationwide. The intent of this program is: (1) To support the development of family-centered, community-based initiatives that plan and implement innovative and cost-effective approaches for focusing resources to promote community defined preventive child health and developmental objectives for vulnerable children and their families, especially those with limited access to quality health services; (2) foster/promote collaboration among community organizations, individuals, agencies, businesses, and families; (3) involve pediatricians and other pediatric health professionals in community-based service programs; and (4) build community and statewide partnerships among professionals in health, education, social services, government, and business to achieve self-sustaining programs to assure healthy children and families.
*Matching or Cost Sharing Requirement:* The applicant must demonstrate the capability to meet cost participation goals. In their second and subsequent years, Healthy Tomorrows Partnership For Children Program (HTPCP) projects are expected to have non-Federal matching funds equal to two times the Federal HTPCP grant award. Non-Federal funds must come from alternate non-Federal sources including, but not limited to, individuals, corporations, foundations, State and local agencies, in-kind services/resources, and/or others.
*Eligibility:* As cited in 42 CFR 51a.3 (a), any public or private entity, including an Indian tribe or tribal organization (as those terms are defined at 25 U.S.C. 450b) is eligible to apply for Federal funding. Community-based organizations, including faith-based organizations, are eligible to apply.
*Special Considerations:* In the interest of equitable geographic distribution, special consideration for funding may be given to projects from States without a currently funded project in this category. These States are: Alabama, Delaware, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, North Carolina, North Dakota, West Virginia, Wisconsin, Wyoming, American Samoa, Commonwealth of the Northern Mariana Islands, Federated States of Micronesia, Guam, Puerto Rico, Republic of Palau, Republic of the Marshall Islands, and the Virgin Islands.
*Estimated Amount of This Competition:* $400,000.
*Estimated Number of Awards To Be Made:* 8.
*Estimated or Average Size of Each Award:* $50,000.
*Estimated Project Period:* 5 years.

HRSA 03–068 Healthy Tomorrows Partnership for Children Program (HTPC)

*Application Availability Date:* August 20, 2002.
*Letter of Intent Deadline:* October 1, 2002.
*Application Deadline:* November 1, 2002.
*Award Date:* March 1, 2003.
*Program Contact Person:* Jose Belardo.
*Phone Number:* (301) 443–0757.
*E-mail: jbelardo@hrsa.gov.*

HRSA 03–069 State Systems Development Initiative (SSDI), Maternal and Child Health (MCH) Services Federal Set-Aside Program (SSDI)

*Legislative Authority:* Social Security Act, Title V, 42 USC 701.
*CFDA Number:* 93.110.
*Purpose:* The purpose of the State Systems Development Initiative is to assist State Agency MCH and Children with Special Health Care Needs (CSHCN) programs in the building of State and community service and information systems that improve the health of women and children.

During this time of government performance results accountability and demand for more accurate program data, the SSDI Program will be focused on improving data capacity in States. As part of ongoing needs assessment activities, States will be expected to make vigorous and determined efforts to identify and eliminate health disparities. States will also be expected to give special attention to responding to the core Health Status Indicator #8 regarding Data Capacity; i.e., establishing or improving the data linkages between birth records and (1) infant death certificates, (2) Medicaid eligibility or paid claims files, (3) Women Infant and Children (WIC) eligibility files, and (4) newborn

screening files; and establishing or improving access to (1) hospital discharge surveys, (2) a birth defects surveillance system, (3) survey of recent mothers at least every two years, and (4) survey of adolescent health and behaviors at least every two years.

*Eligibility:* 42 CFR 51a.3.

*Limited Competition:* This competition is to the 59 State jurisdiction, or Territory Title V agencies.

*Estimated Amount of This Competition:* $5,300,000.

*Estimated Number of Awards To Be Made:* Up to 59.

*Estimated Average Size of Each Award:* $90,000.

*Estimated Project Period:* 3 years.

HRSA 03–069 State Systems Development Initiative (SSDI), Maternal and Child Health (MCH) Services Federal Set-Aside Program (SSDI)

*Application Availability Date:* December 18, 2002.

*Application Deadline:* March 18, 2003.

*Projected Award Date:* September 28, 2003.

*Program Contact Person:* C.J. Wellington.

*Phone Number:* (301) 443–2204.

*E-mail address: cjwellington@hrsa.gov.*

HRSA 03–070 Emergency Medical Services for Children (EMSC) Partnership Demonstration Grants (EMSCP)

*Legislative Authority:* Public Health Service Act, Section 1910, 42 USC 300w-9.

*CFDA Number:* 93.127.

*Purpose:* State partnership demonstration grants will fund activities that represent the steps to take in order to institutionalize EMSC within Emergency Medical Services (EMS) and to continue to improve and refine EMSC. Proposed activities should be consistent with documented needs in the State and should reflect a logical progression in enhancing pediatric capabilities. For example, funding might be used to: (1) Address problems identified in the course of a previous EMSC grant; (2) to increase the involvement of families in EMSC; (3) to improve linkages between local, regional, or State agencies; (4) to promulgate standards developed for one region of the State under previous funding to include the entire State; or (5) to assure effective triage of the child in physical or emotional crisis to appropriate facilities and/or other resources.

*Eligibility:* States and accredited schools of medicine are eligible applicants.

*Funding Priorities or Preferences:* Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $4,400,000.

*Estimated Number of Awards To Be Made:* 44.

*Estimated or Average Size of Each Award:* $100,000.

*Estimated Project Period:* 3 years.

HRSA 03–070 Emergency Medical Services for Children (EMSC) Partnership Demonstration Grants (EMSCP)

*Application Availability Date:* August 12, 2002.

*Letter of Intent Deadline:* September 12, 2002.

*Application Deadline:* November 12, 2002.

*Projected Award Date:* March 1, 2003.

*Program Contact Person:* Cindy R Doyle.

*Phone Number:* (301) 443–3888.

*E-mail: cdoyle@hrsa.gov.*

HRSA 03–071 Emergency Medical Services for Children (EMSC) Regional Symposium Supplemental Grants (EMSCS)

*Legislative Authority:* Social Security Act, Title V, 42 U.S.C. 701.

*CFDA Number:* 93.127.

*Purpose:* To provide supplemental funds to existing State Partnership Demonstration grantees for regional roundtable meetings that are convened for the purpose of knowledge sharing. The primary goal of the Emergency Medical Services for Children (EMSC) program is to improve the quality of care to children. In collaboration with schools of medicine, regional consortia of State EMS programs will meet annually to develop and evaluate improved procedures and protocols for treating children. Meetings will involve coordinating, exchanging, and demonstrating innovative activities of common interest to participating States, while facilitating a forum for knowledge transfer on EMSC related issues between individual care providers and care providing organizations.

*Eligibility:* Eligibility is limited to existing EMSC State Partnership Demonstration grantees.

*Funding Priorities or Preferences:* Special consideration may be given to programs that include a distance education component.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $350,000.

*Estimated Number of Awards To Be Made:* 8.

*Estimated or Average Size of Each Award:* $30,000—$50,000.

*Estimated Project Period:* 1 Year.

HRSA 03–071 Emergency Medical Services for Children (EMSC) Regional Symposium Supplemental Grants (EMSCS)

*Application Availability Date:* August 12, 2002.

*Letter of Intent Deadline:* September 12, 2002.

*Application Deadline:* November 12, 2002.

*Projected Award Date:* March 1, 2003.

*Program Contact Person:* Cindy R. Doyle.

*Phone Number:* (301) 443–3888.

*E-mail: cdoyle@hrsa.gov.*

HRSA 03–072 Traumatic Brain Injury (TBI) State Implementation Grants (TBII)

*Legislative Authority:* Public Health Service Act, Title XII, Section 1252, 42 U.S.C. 300d–52.

*CFDA Number:* 93.234.

*Purpose:* The purpose of this grant program is to improve health and other services for people who have sustained a traumatic brain injury (TBI). Implementation grants provide funding to assist States in moving toward statewide systems that assure access to comprehensive and coordinated TBI services.

*Eligibility:* State governments are eligible to apply. The application for Implementation funds may only come from the State agency designated as the lead for TBI services.

*Matching Requirements:* The State agrees to make available non-Federal contributions in an amount that is not less than $1 for each $2 of Federal funds provided under the grant. Non-Federal funds may be in cash or in kind.

*Review Criteria:* Final criteria are included in the application kit.

*Estimated Amount of This Competition:* $1,200,000.

*Estimated Number of Awards To Be Made:* 6.

*Estimated or Average Size of Each Award:* $200,000.

*Estimated Project Period:* 3 years.

HRSA 03–072 Traumatic Brain Injury (TBI) State Implementation Grants (TBII)

*Application Availability Date:* September 3, 2002.

*Letter of Intent Deadline:* November 4, 2002.

*Application Deadline:* December 2, 2002.

*Projected Award Date:* April 1, 2003.
*Program Contact Person:* Betty Hastings.
*Phone Number:* (301) 443–5599.
*E-mail: bhastings@hrsa.gov.*

HRSA 03–073 Traumatic Brain Injury (TBI) State Planning Grants (TBIP)

*Legislative Authority:* Public Health Service Act, Title XII, Section 1252, 42 U.S.C. 300d–52.
*CFDA Number:* 93.234.
*Purpose:* The purpose of this grant program is to improve health and other services for people who have sustained a traumatic brain injury (TBI). Planning grants provide funding to assist States in developing infrastructure as a prerequisite to receiving an implementation grant.
*Eligibility:* State governments are the only eligible applicants for funding. The application for Planning funds may only come from the State agency designated as the lead for TBI services.
*Matching Requirements:* The State agrees to make available non-Federal contributions in an amount that is not less than $1 for each $2 of Federal funds provided under the grant. Non-Federal funds may be in-cash or in-kind.
*Review Criteria:* Final criteria are included in the application kit.
*Estimated Amount of This Competition:* $225,000.
*Estimated Number of Awards To Be Made:* 3.
*Estimated or Average Size of Each Award:* $75,000.
*Estimated Project Period:* 2 years.

HRSA 03–073 Traumatic Brain Injury (TBI) State Planning Grants (TBIP)

*Application Availability Date:* September 3, 2002.
*Letter of Intent Deadline:* November 4, 2002.
*Application Deadline:* December 2, 2002.
*Projected Award Date:* April 1, 2003.
*Program Contact Person:* Betty Hastings.
*Phone Number:* (301) 443–5599.
*E-mail: bhastings@hrsa.gov.*

HRSA 03–074 Traumatic Brain Injury (TBI) Post-Demonstration (TBIPD)

*Legislative Authority:* Public Health Service Act, Title XII, Section 1252, 42 U.S.C. 300d–52.
*CFDA Number:* 93.234.
*Purpose:* Continuation of previously awarded demonstration projects. A State that received a grant under this section prior to the date of enactment of the Children's Health Act of 2000 may compete for new project grants under this section.
*Eligibility:* State governments are eligible to apply. The application for a TBI Post Demonstration Grant may only come from the State agency designated as the lead for TBI services.
*Funding Priorities or Preferences:* Preference for TBI Post Demonstration Grants will be given to States who have successfully completed a three-year TBI State Implementation Grant and have never received TBI Post Demonstration Grant funding.
*Matching Requirements:* The State agrees to make available non-Federal contributions in an amount that is not less than $1 for each $2 of Federal funds provided under the grant. Non-Federal funds may be in-cash or in-kind.
*Review Criteria:* Final criteria are included in the application kit.
*Estimated Amount of This Competition:* $600,000.
*Estimated Number of Awards To Be Made:* 6.
*Estimated or Average Size of Each Award:* $100,000.
*Estimated Project Period:* 1 year.

HRSA 03–074 Traumatic Brain Injury (TBI) Post-Demonstration (TBIPD)

*Application Availability Date:* September 4, 2002.
*Letter of Intent Deadline:* November 4, 2002.
*Application Deadline:* December 2, 2002.
*Projected Award Date:* April 1, 2003.
*Program Contact Person:* Betty Hastings.
*Phone Number:* (301) 443–5599.
*E-mail: bhastings@hrsa.gov.*

HRSA 03–075 Poison Control Centers Stabilization and Enhancement Grant Program, Incentive Grants (PCCSE)

*Legislative Authority:* The Poison Control Center Enhancement and Awareness Act, Section 6(a) of Public Law (P.L.) 106–174.
*CFDA Number:* 93.253.
*Purpose:* The goal of the Maternal and Child Health (MCH) Bureau Poison Control Centers Program is to promote a comprehensive system for the delivery of high quality poison control services nationwide. Funds disbursed under this grant program category must support projects which are designed to accomplish the following goal: to implement, improve or enhance systems development, efficiency and collaborative activity between centers.
*Eligibility:* Certified Poison Control Centers (PCCs) are eligible to apply.
*Limited Competition:* This competition is limited to the existing Poison Control Stabilization Grantees.
*Review Criteria:* Final criteria are included in the application kit.
*Estimated Amount of This Competition:* $1,800,000.
*Estimated Number of Awards to be Made:* 12.
*Estimated or Average Size of Each Award:* $150,000.
*Estimated Project Period:* 2 years.

HRSA 03–075 Poison Control Centers Stabilization and Enhancement Grant Program, Incentive Grants (PCCSE)

*Application Availability Date:* March 3, 2003.
*Application Deadline:* May 8, 2003.
*Projected Award Date:* September 1, 2003.
*Program Contact Person:* Carol Delany.
*Phone Number:* (301) 443–5848.
*E-mail: cdelany@hrsa.gov.*

HRSA 03–076 Poison Control Centers Stabilization and Enhancement Grant Program, Financial Stabilization Supplemental Grants (PCCFS)

*Legislative Authority:* The Poison Control Enhancement and Awareness Act, Section 6(a) of P.L. 106–174.
*CFDA Number:* 93.253.
*Purpose:* To provide access to poison control services to areas outside the continental U.S. This funding category will provide grant supplements to existing financial stabilization grantees who will provide support for poison control services to the U.S. Virgin Islands and will initiate access to the National toll-free Poison Control number to American Samoa in the Pacific Basin. Based upon this one-year experience, the program will determine measures that will be used to develop more permanent arrangements to assure these services to all U.S. territories. It is expected that expansion of services to the remainder of the Pacific Basin will follow in 2004.
*Eligibility:* Funding is limited to existing Financial Stabilization Grantees.
*Review Criteria:* Final criteria are included in the application kit.
*Estimated Amount of This Competition:* $60,000.
*Estimated Number of Awards to be Made:* 2.
*Estimated or Average Size of Each Award:* $30,000.
*Estimated Project Period:* 1 year.

HRSA 03–076 Poison Control Centers Stabilization and Enhancement Grant Program, Financial Stabilization Supplemental Grants (PCCFS)

*Application Availability Date:* March 3, 2003.
*Application Deadline:* May 8, 2003.
*Projected Award Date:* September 1, 2003.
*Program Contact Person:* Carol A. Delany.

*Phone Number:* (301) 443–5848.
*E-mail: cdelany@hrsa.gov.*

*Office of Rural Health Policy*

HRSA 03–077 Rural Health Outreach Grant (RHO)

*Legislative Authority:* Section 330A of the Public Health Service Act, 42 U.S.C. 254c.

*CFDA Number:* 93.912.

*Purpose:* The purpose of this demonstration grant program is to expand access to, coordinate, restrain the cost of, and improve the quality of essential health care services, including preventive and emergency services, through the development of health care networks in rural areas and regions. Funds are available for projects to support the initial direct delivery of health care and related services, and to expand existing services or to enhance health service delivery through education, promotion, and prevention programs. Networks which must be composed of at least three separately owned health care or social services organizations may comprise the same providers (*e.g.,* all hospitals) or more diversified networks.

*Eligibility:* Rural public or nonprofit private organizations that are part of a network of at least three entities that support or provide the delivery of health care services and will work together to complete the proposed project are eligible. Geographic eligibility requirements are (1) the lead applicant organization must be located in a rural area or in a rural zip code of an urban county (list included in the application materials) and all services must be provided in a rural county. If the applicant is owned by or affiliated with an urban entity or health system the rural component may still apply as long as the rural entity can directly receive and administer the grant funds in the rural area; be in complete control in the planning, program management and financial management of the project; and, the urban parent organization assures the Office of Rural Health Policy in writing, that for this project, they will exert no control over or demand collaboration with the rural entity; or (2) the organization must be constituted exclusively to provide services to migrant and seasonal farm workers in rural areas and supported under Section 330(g) of the Public Health Service Act (these organizations are eligible regardless of the urban or rural location of the administrative headquarters); or (3) the project services will be delivered on Federally-designated tribal lands. Entities meeting eligibility requirements, that are non-profit, faith-based or community-based organizations are eligible to apply. We encourage applicants to consider how their proposals might use telehealth and/or new and emerging technologies to achieve their project goals. The advent of advanced communication tools such as distance learning, remote patient monitoring, personal data assistants (PDAs), interactive video, satellite broadcasting and store-and-forward technology are just some of the many health-care focused technological applications that can help improve access to care either directly or indirectly by improving the efficiency of local health care providers.

*Funding Priorities or Preferences:* Funding preference may be given to applicant networks that include (1) a majority of the health care providers serving in the area or region to be served by the network; (2) Federally-qualified health centers, rural health clinics, and local public health departments serving in the area or region; (3) outpatient mental health providers serving in the area or region; or (4) appropriate social service providers, such as agencies on aging, school systems, and providers under the women, infants and children program (WIC), to improve access to and coordination of health care services.

Funding priority will be given to applicants that utilize telehealth/technology in their projects.

*Special Considerations:* Applicant organization must be located in a rural area. The proposed project must be directed to and services must remain in the rural area. (A list of eligible rural areas is included in the application packet.)

*Estimated Amount of This Competition:* $8,928,000.

*Estimated Number of Awards To Be Made:* 50 for FY 2003 and 25 for 2004.

*Estimated or Average Size of Each Award:* $185,000.

*Estimated Project Period:* 3 years.

HRSA 03–077 Rural Health Outreach Grant (RHO)

*Application Availability Date:* June 17, 2002 for FY 2003 and June 16, 2003 for FY 2004.

*Application Deadline:* September 13, 2002 for FY 2003 and September 12, 2003 for FY 2004.

*Projected Award Date:* May 1, 2003 for FY 2003 and May 1, 2004 for FY 2004.

*Program Contact Person:* Lilly Smetana.

*Phone Number:* (301) 443–0835.
*E-mail: lsmetana@hrsa.gov.*

*Technical Assistance Conference Call:* Instant replay of July 31st technical assistance call available until August 30, 2002. Please call 800/925–4170, access code not necessary.

HRSA 03–078 Rural Health Network Development (RHN)

*Legislative Authority:* Section 330A of the Public Health Service Act, 42 U.S.C. 254c.

*CFDA Number:* 93.912.

*Purpose:* The purpose of this program is to support the development of health care networks in rural areas. Project funds are given to develop the organizational capabilities of these networks. The networks, which are tools for overcoming the fragmentation and vulnerability of the health care delivery system in rural areas, must be composed of at least three separately owned health care organizations. As such, the network supports rural health care organizations in a variety of ways, thereby strengthening the local delivery system to meet the health care needs of rural communities.

*Eligibility:* Rural public or nonprofit private organizations that are part of a network of at least three entities that support the delivery of health care services and will work together to complete the proposed project are eligible. Geographic eligibility requirements are (1) the lead applicant organization must be located in a rural area or in a rural zip code of an urban county (list included in the application materials) and all services must be provided in a rural county. If the applicant is owned by or affiliated with an urban entity or health system the rural component may still apply as long as the rural entity can directly receive and administer the grant funds in the rural area; be in complete control in the planning, program management and financial management of the project; and, the urban parent organization assures the Office of Rural Health Policy in writing, that for this project, they will exert no control over or demand collaboration with the rural entity; or (2) the organization must be constituted exclusively to provide services to migrant and seasonal farm workers in rural areas and supported under section 330(g) of the Public Health Service Act (these organizations are eligible regardless of the urban or rural location of the administrative headquarters); or (3) the project services will be delivered on Federally-designated tribal lands. Entities meeting eligibility requirements, that are non-profit, faith-based or community-based organizations are eligible to apply.

We encourage applicants to consider how their proposals might use telehealth, and/or new and emerging technologies to achieve their project

goals. The advent of advanced communication tools such as distance learning, remote patient monitoring, personal data assistants (PDAs), interactive video, satellite broadcasting and store-and-forward technology are just some of the many health-care focused technological applications that can help improve access to care either directly or indirectly by improving the efficiency of local health care providers.

*Funding Priorities or Preferences:* Funding preference may be given to applicant networks that include (1) a majority of the health care providers serving in the area or region to be served by the network; (2) Federally-qualified health centers, rural health clinics, and local public health departments serving in the area or region; (3) outpatient mental health providers serving in the area or region; or (4) appropriate social service providers, such as agencies on aging, school systems, and providers under the women, infants and children program (WIC), to improve access to and coordination of health care services.

Funding priority will be given to applicants that utilize telehealth/technology in their projects.

*Special Considerations:* Applicant organization must be located in a rural area. The proposed project must remain in the rural area. (A list of eligible rural areas is included in the application packet.)

*Estimated Amount of This Competition:* $8,900,000.

*Estimated Number of Awards To Be Made:* 50 for FY 2003 and 25 for FY 2004.

*Estimated or Average Size of Each Award:* $182,000.

*Estimated Project Period:* 3 years.

HRSA 03–078 Rural Health Network Development (RHN)

*Application Availability Date:* June 17, 2002 for FY 2003 and June 16, 2003 for FY 2004.

*Application Deadline:* September 20, 2002 for FY 2003 and September 19, 2003 for FY 2004.

*Projected Award Date:* May 1, 2003 for FY 2003 and May 1, 2004 for FY 2004.

*Program Contact Person:* Lilly Smetana.

*Phone Number:* (301) 443–0835.

*E-mail: lsmetana@hrsa.gov.*

*Technical Assistance Conference Call:* Instant replay of July 31st technical assistance call available until August 30, 2002. Please call 800/925–4170, access code not necessary.

*Office of Special Programs*

HRSA 03–079 Social and Behavioral Interventions To Increase Organ and Tissue Donation (SBITD)

*Legislative Authority:* Public Health Service Act Section 371(a)(3), 42 U.S.C. 273(a)(3).

*CFDA Number:* 93.134.

*Purpose:* The goal of this grant program is to assist eligible entities in the evaluation of, or the implementation and evaluation of, highly promising strategies and approaches that can serve as model interventions for increasing organ and tissue donation. All projects must have rigorous methodology and evaluation components capable of ascertaining the effectiveness of the intervention(s). Applications may focus on pilot projects or replications of interventions already shown to be effective in a pilot study. Projects that propose creative interventions, including those that integrate telehealth and distance learning, are also of interest.

*Eligibility:* Federally-designated organ procurement organizations or other private non-profit community or faith-based organizations which are part of a consortium of organizations consisting of at least one transplant related organization and one research related organization are eligible to apply.

*Estimated Amount of This Competition:* $5,000,000.

*Estimated Number of Awards To Be Made:* 20.

*Estimated or Average Size of Each Award:* $250,000 per year.

*Estimated Project Period:* 1–3 years.

HRSA 03–079 Social and Behavioral Interventions To Increase Organ and Tissue Donation (SBIDT)

*Application Availability Date:* October 18, 2002.

*Letter of Intent Deadline:* January 10, 2003.

*Application Deadline:* March 4, 2003.

*Projected Award Date:* July 15, 2003.

*Program Contact Person:* Mary L. Ganikos.

*Phone Number:* (301) 443–8665.

*E-mail: mganikos@hrsa.gov.*

HRSA 03–080 Clinical Interventions To Increase Organ Procurement (CIOP)

*Legislative Authority:* Public Health Service Act Section 371(a)(3), 42 U.S.C. 273(a)(3).

*CFDA Number:* 93.134.

*Purpose:* The goal of this grant program is to assist eligible entities in the implementation, evaluation, and dissemination of model interventions with the greatest potential for increasing the number of heart-beating and non-heart-beating deceased donors and/or the number of organs that are recovered from such donors. All projects must have rigorous methodology and evaluation components capable of ascertaining the effectiveness of the intervention(s). Projects can employ qualitative studies, quantitative research, or empiric work. Eligible interventions could focus on new and/or improved methods to optimize hemodynamic stability after brain death; improve donor organ evaluation practices; investigate time-efficient technologies to match donor organs with compatible recipients; and identify appropriate non-heart-beating donation candidates. Interventions focusing on the use of information and communication technology to disseminate donor-related information or to increase the efficiency of organ placements are encouraged.

*Eligibility:* An applicant organization must be a Federally-designated organ procurement organization (OPO) or a consortium of relevant entities or organizations. One organizational member (the applicant organization) carries overall responsibility for project leadership. The applicant organization must be a Federally-designated OPO or other private, non-profit organization actively involved in transplantation, or a Federal institution in accordance with section 235 of the Public Health Service Act.

*Estimated Amount of This Competition:* $3,000,000.

*Estimated Number of Awards To Be Made:* 13.

*Estimated or Average Size of Each Award:* $230,000.

*Estimated Project Period:* 1–3 years.

HRSA 03–080 Clinical Interventions To Increase Organ Procurement (CIOP)

*Application Availability Date:* November 1, 2002.

*Letter of Intent Deadline:* January 24, 2003.

*Application Deadline:* March 18, 2003.

*Projected Award Date:* July 31, 2003.

*Program Contact Person:* Virginia McBride; Laura St. Martin.

*Phone Number:* (301) 443–7577.

*E-mail: vmcbride@hrsa.gov; lstmartin@hrsa.gov.*

[FR Doc. 02–20021 Filed 8–8–02; 8:45 am]

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Federal Register

Friday,
August 9, 2002

# Part VII

# Department of Health and Human Services

## Centers for Medicare & Medicaid Services

42 CFR Part 405 et al.

**Medicare Program; Changes to the Hospital Outpatient Prospective Payment System and Calendar Year 2003 Payment Rates; and Changes to Payment Suspension for Unfiled Cost Reports; Proposed Rule**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Centers for Medicare & Medicaid Services**

**42 CFR Parts 405, 410 and 419**

**[CMS–1206–P]**

**RIN 0938–AL19**

# Medicare Program; Changes to the Hospital Outpatient Prospective Payment System and Calendar Year 2003 Payment Rates; and Changes to Payment Suspension for Unfiled Cost Reports

**AGENCY:** Centers for Medicare & Medicaid Services (CMS), HHS.

**ACTION:** Proposed rule.

**SUMMARY:** This proposed rule would revise the Medicare hospital outpatient prospective payment system to implement applicable statutory requirements and changes arising from our continuing experience with this system. In addition, it would describe proposed changes to the amounts and factors used to determine the payment rates for Medicare hospital outpatient services paid under the prospective payment system. These changes would be applicable to services furnished on or after January 1, 2003. In addition, this rule proposes to allow the Secretary to suspend Medicare payments ''in whole or in part'' if a provider fails to file a timely and acceptable cost report.

**DATES:** We will consider comments if we receive them at the appropriate address, as provided below, no later than 5 p.m. on October 8, 2002.

**ADDRESSES:** In commenting, please refer to file code CMS–1206–P. Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission. Mail written comments (one original and two copies) to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–1206–P, P.O. Box 8018, Baltimore, MD 21244–8018.

Please allow sufficient time for mailed comments to be timely received in the event of delivery delays.

If you prefer, you may deliver (by hand or courier) your written comments (one original and two copies) to one of the following addresses:

Room 445–G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201, or

Room C5–14–03, 7500 Security Boulevard, Baltimore, MD 21244–1850.

(Because access to the interior of the HHH Building is not readily available to persons without Federal Government identification, commenters are encouraged to leave their comments in the CMS drop slots located in the main lobby of the building. A stamp-in clock is available for persons wishing to retain a proof of filing by stamping in and retaining an extra copy of the comments being filed.)

Comments mailed to the addresses indicated as appropriate for hand or courier delivery may be delayed and could be considered late.

For information on viewing public comments, see the beginning of the **SUPPLEMENTARY INFORMATION** section.

**FOR FURTHER INFORMATION CONTACT:** Anita Heygster, (410) 786–0378—outpatient prospective payment issues; Lana Price, (410) 786–4533—partial hospitalization and ESRD; Gerald Walters, (410) 786–2070—payment suspension issues.

**SUPPLEMENTARY INFORMATION:**

*Inspection of Public Comments:* Comments received timely will be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, at the headquarters of the Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore, Maryland 21244, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, call (410) 786–7197.

## Availability of Copies and Electronic Access

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Addendum J—Wage Index for Hospitals That Are Reclassified

**Alphabetical List of Acronyms Appearing in the Proposed Rule**

ACEP American College of Emergency Physicians
AMA American Medical Association
APC Ambulatory payment classification
AWP Average wholesale price
BBA Balanced Budget Act of 1997
BIPA Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000
BBRA Balanced Budget Refinement Act of 1999
CCR Cost center specific cost-to-charge ratio
CMHC Community mental health center
CMS Centers for Medicare & Medicaid Services (Formerly known as the Health Care Financing Administration)
CPT (Physician's) Current Procedural Terminology, Fourth Edition, 2002, copyrighted by the American Medical Association
CSW Clinical social worker
CY Calendar year
DRG Diagnosis-related group
DSH Disproportionate Share Hospital
EACH Essential Access Community Hospital
E/M Evaluation and management
ERCP Endoscopic retrograde cholangiopancreatography
ESRD End-stage renal disease
FACA Federal Advisory Committee Act
FY Federal fiscal year
HCPCS Healthcare Common Procedure Coding System
HIPAA Health Insurance Portability and Accountability Act of 1996
ICU Intensive care unit
ICD–9–CM International Classification of Diseases, Ninth Edition, Clinical Modification
IME Indirect Medical Education
IPPS (Hospital) inpatient prospective payment system
LTC Long Term Care
MedPAC Medicare Payment Advisory Commission
MDH Medicare Dependent Hospital
MSA Metropolitan statistical area
NECMA New England County Metropolitan Area
OCE Outpatient code editor
OMB Office of Management and Budget
OPD (Hospital) outpatient department
OPPS (Hospital) outpatient prospective payment system
OT Occupational therapist
PHP Partial hospitalization program
PPS Prospective payment system
PPV Pneumococcal pneumonia (virus)
PRA Paperwork Reduction Act
RFA Regulatory Flexibility Act
RRC Rural Referral Center
RVUs Relative value units
SCH Sole Community Hospital
TEFRA Tax Equity and Fiscal Responsibility Act
USPDI United States Pharmacopoeia Drug Information

## Comparison of Proposed 2003 Payment Rates to 2002 Payment Rates

The outpatient pass-through provisions of the BBRA and BIPA have been exceptionally difficult to implement, arguably the most complex and difficult in the history of the Medicare program. In CY 2002, the pass-through payments, and the APC rates were calculated on the best information available. This was often manufacturer list prices, which may not reflect not actual prices paid by hospitals. For CY 2003, far more data is available on the actual charges for hospital OPDs, and these are reflected in the rates in this proposed rule. In many cases these new rates are significantly different from CY 2003 rates, but they are based on actual hospital charges, and on far more complete data than were the CY 2002 rates. Nevertheless, CMS is actively seeking comment on all aspects of these rates, given the significant changes in the proposed rule, and the agency is open to making changes, perhaps significant, in the final rule based on comments.

The 2003 payment rates proposed in this proposed rule are, for many items and services, significantly higher or lower than the payment rates for the same items and services for 2002, particularly for APCs which use medical devices, and for APCs for drugs that will no longer be eligible for pass-through status in 2003 and paid under separate APCs. Some proposed payments for 2003 are far lower than the 2002 payment amounts (and some are higher).

For example, as can be seen in Addenda A, the proposed rate for APC 0108 (Insertion/Replacement/Repair of Cardioverter-Defibrilator Leads) shows a dramatic decrease in payment compared to the 2002 rate. This reduction for a number of APCs is of concern to us because of the potential impact on access to care. We invite public comment and suggestions on how to address the potential for adverse impact of these proposed changes.

The proposed 2003 payment rates reflect the use of updated data, as required by the statute, in calculating payment rates in accordance with the methodologies set forth in the statute and regulations. The proposed payment rates reflect mathematical calculations based on the latest available program data.

Our goal in this proposed rule is to explain the methodology and to solicit comments on our rate-setting methods and the effect on beneficiary access, provider participation and the fiscal integrity of the Medicare Trust Fund.

### Devices

We believe that there are several factors that may explain the differences between the proposed payment amounts for 2003 and the payment amounts for 2002 (some, but not all of which, are significant).

First, we believe that the payment rates for the device related procedures for 2002 may in some cases have been higher than they would have been had actual hospital acquisition cost data been available for us to use. Specifically, because we lacked hospitals' cost data for devices, we used the best data available to us at the time which was manufacturer data regarding the hospitals' acquisition costs in providing the devices. We assumed that a device would be provided with a related procedure and packaged 75 percent of these manufacturer estimated

costs for the devices into the APCs for the procedures.

The costs that we packaged in for some devices may have been higher than actual hospital acquisition costs. The differences between the 2002 payment rate and the lower 2003 proposed payments are based on our data sources. While the 2003 rates are based on 2001 hospital claims and the latest available cost report data, the 2002 rates are based on manufacturer data for devices. We use charges on the hospital claims data to estimate hospital costs. We apply hospital-specific, department-specific cost-to-charge ratios (CCRs) from each provider's most recently submitted cost report to the charges to develop the estimate of costs. In most cases, the provider's most recently submitted cost report is from fiscal year 1999. An adjustment factor is applied in developing CCRs for cost reports that have not yet been settled, so that the CCRs will more closely reflect CCRs from a settled cost report.

Second, there may be problems in the data, particularly for coding of devices in 2001. As discussed later in this preamble, devices were to be coded using device specific C codes from the start of the OPPS on August 1, 2000 until the law changes required that we establish category codes by April 1, 2001. We then granted a grace period until July 1, 2001, during which we accepted both device specific codes and category codes. During a Town Hall meeting with the public on April 5, 2001, and in other contacts with hospitals (such as the open forum calls and visits to hospitals) we have been told that hospitals had difficulty in submitting proper HCPCS coding for services and for devices once OPPS began and that, in many cases, they did not bill for devices for which they should have claimed payment.

In some cases, hospitals were confused by the change from device specific codes to category codes; in other cases, the use of HCPCS codes was new and they had a long learning curve to learn how to use HCPCS codes. Our initial data analysis suggested that hospitals may not have billed for the devices using the device or category codes in all cases. If the charges were not on the claim, they would not have been picked up for calculation of the median cost for the service and the associated device, possibly resulting in a proposed payment rate for the APC that is inappropriately low and other rates that are inappropriately too high. However, based on our analysis which is described later, we believe that hospitals often showed the charges for the devices in the applicable revenue centers (such as, supplies) and that the charges for the devices often were on the claim, even if the HCPCS code was not.

We welcome public comments regarding these issues for these payment changes and proposals regarding how problems with claims data could be rectified for development of the final rule.

Drugs

As discussed later in this preamble, we propose to package the costs for lower cost drugs into the payment for the APC in which they are used and to pay specialty drugs and high cost drugs under separate APCs. Some of the APCs for separately paid drugs also show significant reductions in payments compared to the pass-through payments made in 2002. Several factors may help place these decreases in perspective.

These changes result largely because the payment method for items in transitional pass-through payment status differs significantly from other services paid under the OPPS, and as items lose transitional pass-through payment status they are subject to a different payment method. In particular, a drug in transitional pass-through payment status is paid based on 95 percent of the average wholesale price for the drug, possibly subject to a uniform reduction.[1]

In contrast, a drug not in transitional pass-through status is paid as are other services under the OPPS. The statute provides that services (other than transitional pass-through items) be paid on the basis of a service-specific relative weight multiplied by a conversion factor. The relative weight is determined based on the median hospital cost, where the cost on each claim is derived by multiplying the submitting hospital's charge by a cost-to-charge ratio (determined from the hospital's latest submitted cost report, usually from fiscal year 1999). We anticipate that a hospital's charges on particular services reflect, at least in relative terms, the hospital's resource use in providing that service.

Per the statute, the conversion factor was set at the initiation of the system to achieve budget neutrality relative to the prior system; it is updated each year by the rate of increase in the hospital market basket. This mechanism does reflect changes in input costs from the initial base, but the system is not rebased to reflect the absolute level of such costs.

This payment method was not intended to assure that hospitals, even on average, are reimbursed costs of particular services. In fact, because the conversion factor was calibrated to reflect prior reductions in hospital operating and capital costs that were built into the baseline for overall program expenditures, the OPPS is not set to pay full costs to hospitals.[2]

Further, nothing in the payment method prescribed by the statute requires or anticipates that hospitals would be reimbursed full costs of purchased inputs such as drugs, just as it does not anticipate that hospitals would be reimbursed for the full cost of any other services they deliver.

The payment methods are set out in section 1833(t) of the Act. This section does not permit continuation of a pass-through payment (at 95 percent of AWP or some other level) for drugs losing their transitional pass-through status. This section permits the Secretary to specify APC groupings, and we are proposing in 2003 to continue to pay separately for certain drugs that had transitional pass-through status in 2002 and that are no longer eligible for pass-through status in 2003. These drugs would be in separate APCs, rather than being packaged into other, procedure-related APCs; the payment method would be the same relative-weight payment method used for other APCs.

The resulting payment rates incorporate the best evidence we have regarding what hospitals charged in 2001. They may diverge, however, from payment rates based on the AWP, including those in use for 2002. As is discussed above, movement from pass-through payment rates to relative-weight based payment rates would be expected to lead to decreases in payments, even if AWP represented a reliable measure of hospital acquisition costs (As discussed above, we use hospital charges and hospital-specific, department-specific cost-to-charge ratios to estimate hospital costs. In most cases, cost-to-charge ratios are derived from 1999 cost reports).

However, we believe this outcome is also be due to deficiencies in AWP as a measure of hospital acquisition costs. AWP is not an accurate estimate of what

[1] In 2002, we apply a uniform reduction to the transitional pass-through portion of payments for drugs with transitional pass-through status. As a result, the OPPS now pays hospitals about 72 percent of AWP for drugs in this status. The uniform reduction, as discussed in the March 1, 2002 final rule, is to comply with section 1833(t)(6)(E) of the Act, which limits the total projected amount of transitional pass-through payments for 2002 to 2.5 percent of projected total payments under the OPPS in 2002.

[2] In fact, because of the effect of prior statutory reductions in payments, the OPPS system was calibrated at its initiation to pay only about 82 percent of hospital costs in the aggregate.

providers actually pay for drugs. Studies undertaken over the past decade by the Office of the Inspector General, the Department of Justice, and the General Accounting Office that compare AWP with actual drug acquisition costs have consistently shown that published AWPs considerably exceed these costs (See ''MEDICARE Payments for Covered Outpatient Drugs Exceed Providers' Costs'', GAO–01–1118). Therefore, it is to be expected that the proposed 2003 APC payment rates based on median hospital costs for these drugs will be lower than the 2002 payment rates for the same drugs that are based on AWP. The Administration has repeatedly stated its view that AWP inaccurately represents actual market pricing. The pass-through system pays based on AWP, creating further incentives for artificially high AWP listings. We believe the steep reductions in some drug prices reflect these incentives, and that the new rates more accurately reflect the actual acquisition costs for hospitals pay. Still, we are interested in soliciting comments on these costs, and the mechanisms to identify them.

## I. Background

### *A. Authority for the Outpatient Prospective Payment System*

When the Medicare statute was originally enacted, Medicare payment for hospital outpatient services was based on hospital-specific costs. In an effort to ensure that Medicare and its beneficiaries pay appropriately for services and to encourage more efficient delivery of care, the Congress mandated replacement of the cost-based payment methodology with a prospective payment system (PPS). The Balanced Budget Act of 1997 (BBA) (Pub. L. 105–33), enacted on August 5, 1997, added section 1833(t) to the Social Security Act (the Act) authorizing implementation of a PPS for hospital outpatient services. The Balanced Budget Refinement Act of 1999 (BBRA) (Pub. L. 106–113), enacted on November 29, 1999, made major changes that affected the hospital outpatient PPS (OPPS). The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA) (Pub. L. 106–554), enacted on December 21, 2000, made further changes in the OPPS. The OPPS was first implemented for services furnished on or after August 1, 2000.

### *B. Summary of Rulemaking for the Outpatient Prospective System*

- On September 8, 1998, we published a proposed rule (63 FR 47552) to establish in regulations a PPS for hospital outpatient services, to eliminate the formula-driven overpayment for certain hospital outpatient services, and to extend reductions in payment for costs of hospital outpatient services. On June 30, 1999, we published a correction notice (64 FR 35258) to correct a number of technical and typographic errors in the September 1998 proposed rule including the proposed amounts and factors used to determine the payment rates.
- On April 7, 2000, we published a final rule with comment period (65 FR 18434) that addressed the provisions of the PPS for hospital outpatient services scheduled to be effective for services furnished on or after July 1, 2000. Under this system, Medicare payment for hospital outpatient services included in the PPS is made at a predetermined, specific rate. These outpatient services are classified according to a list of ambulatory payment classifications (APCs). The April 7, 2000 final rule with comment period also established requirements for provider departments and provider-based entities and prohibited Medicare payment for nonphysician services furnished to a hospital outpatient by a provider or supplier other than a hospital unless the services are furnished under arrangement. In addition, this rule extended reductions in payment for costs of hospital outpatient services as required by the BBA and amended by the BBRA. Medicare regulations governing the hospital OPPS are set forth at 42 CFR part 419.
- On June 30, 2000, we published a notice (65 FR 40535) announcing a delay in implementation of the OPPS from July 1, 2000 to August 1, 2000. We implemented the OPPS on August 1, 2000.
- On August 3, 2000, we published an interim final rule with comment period (65 FR 47670) that modified criteria that we use to determine which medical devices are eligible for transitional pass-through payments. The August 3, 2000 rule also corrected and clarified certain provider-based provisions included in the April 7, 2000 rule.
- On November 13, 2000, we published an interim final rule with comment period (65 FR 67798). This rule provided for the annual update to the amounts and factors for OPPS payment rates effective for services furnished on or after January 1, 2001. We implemented the 2001 OPPS on January 1, 2001. We also responded to public comments on those portions of the April 7, 2000 final rule that implemented related provisions of the BBRA and public comments on the August 3, 2000 rule.
- On November 2, 2001, we published a final rule (66 FR 55857) that announced the Medicare OPPS conversion factor for calendar year 2002. In addition, it described the Secretary's estimate of the total amount of the transitional pass-through payments for CY 2002 and the implementation of a uniform reduction in each of the pass-through payments for that year.
- On November 2, 2001, we also published an interim final rule with comment period (66 FR 55850) that set forth the criteria the Secretary will use to establish new categories of medical devices eligible for transitional pass-through payments under Medicare's OPPS.
- On November 30, 2001, we published a final rule (66 FR 59856) that revised the Medicare OPPS to implement applicable statutory requirements, including relevant provisions of BIPA, and changes resulting from continuing experience with this system. It addition, it described the CY 2002 payment rates for Medicare hospital outpatient services paid under the PPS. This final rule also announced a uniform reduction of 68.9 percent to be applied to each of the transitional pass-through payments for certain categories of medical devices and drugs and biologicals.
- On December 31, 2001, we published a final rule (66 FR 67494) that delayed, until no later than April 1, 2002, the effective date of CY 2002 payment rates and the uniform reduction of transitional pass-through payments that were announced in the November 30, 2001 final rule. In addition, this final rule indefinitely delayed certain related regulatory provisions.
- On March 1, 2002, we published a final rule (67 FR 9556) that corrected technical errors that affected the amounts and factors used to determine the payment rates for services paid under the Medicare OPPS and corrected the uniform reduction to be applied to transitional pass-through payments for CY 2002 as published in the November 30, 2001 final rule. These corrections and the regulatory provisions that had been delayed became effective on April 1, 2002.

### *C. Authority for Payment Suspensions for Unfiled Cost Reports*

Authority for the provision regarding payment suspensions for unfiled cost reports is contained within the authority for subpart C of 42 CFR Part 405, that is, sections 1102, 1815, 1833, 1842,

1866, 1870, 1871, 1879, and 1892 of the Social Security Act (42 U.S.C. 1302, 1395g, 13951, 1395u, 1395cc, 1395gg, 1395hh, 1395pp, and 1395ccc) and 31 U.S.C. 3711.

*D. Summary of Payment Suspensions for Unfiled Cost Reports*

This provision is set forth in our existing regulations at 42 CFR 405.371 as follows:

Section 405.371 (a) provides that Medicare payments may be suspended, in whole or in part, following overpayments determined by the Medicare contractor when overpayment exists or when the payments to be made may not be correct.

Section 405.371(b) provides, in relevant part, that a payment suspension may proceed only after certain procedural requirements contained at § 405.372 are met.

Existing § 405.371(c) provides for suspension of payment if a provider has failed to timely file an acceptable cost report. Payment to the provider is immediately suspended until a cost report is filed and determined by the intermediary to be acceptable.

With the increased transition to the prospective payment systems, the cost report settlement process has become less determinative of an institutional provider's Medicare reimbursement. For instance, in the case of an inpatient acute care hospital, the base DRG payment (as opposed to any teaching or disproportionate share payments, or pass-through payments) is determined when a claim is initially adjudicated, and does not generally change at the time of cost report settlement. Similarly, the APC payment for an outpatient service is also based on the claim adjudication. For home health agencies, minimal changes to payment are made at the time of cost report settlement, and for skilled nursing facilities, the main cost report issues revolve around bad debt determinations. In all of these cases, a significant proportion of the institution's payments are determined based on the adjudication of claims, and do not change at the point of settling the cost report. However, the filing of cost reports remains important for settling some payments, such as medical education payments, even for providers that are fully transitioned to prospective payment systems. Also, cost reports for PPS providers are used for determining prospective payment rates for future years. For these reasons, tailored payment suspensions can still be an effective measure for ensuring that providers comply with their obligation to file timely and acceptable cost reports.

## II. Proposed Changes to the Ambulatory Payment Classification (APC) Groups and Relative Weights

Under the OPPS, we pay for hospital outpatient services on a rate-per-service basis that varies according to the APC group to which the service is assigned. Each APC weight represents the median hospital cost of the services included in that APC relative to the median hospital cost of the services included in APC 601, Mid-Level Clinic Visits. The APC weights are scaled to APC 601 because a mid-level clinic visit is one of the most frequently performed services in the outpatient setting.

Section 1833(t)(9)(A) of the Act requires the Secretary to review the components of the OPPS not less often than annually and to revise the groups and related payment adjustment factors to take into account changes in medical practice, changes in technology, and the addition of new services, new cost data, and other relevant information. Section 1833(t)(9)(A) of the Act requires the Secretary, beginning in 2001, to consult with an outside panel of experts when annually reviewing and updating the APC groups and the relative payment weights.

Finally, section 1833(t)(2) of the Act provides that, subject to certain exceptions, the items and services within an APC group cannot be considered comparable with respect to the use of resources if the highest median or mean cost item or service in the group is more than 2 times greater than the lowest median or mean cost item or service within the same group (referred to as the ''2 times rule'').

We use the median cost of the item or service in implementing this provision. The statute authorizes the Secretary to make exceptions to the 2 times rule ''in unusual cases, such as low volume items and services.''

The APC groups that we are proposing in this rule as the basis for payment in 2003 under the OPPS have been analyzed within this statutory framework.

*A. Recommendations of the Advisory Panel on APC Groups*

1. Establishment of the Advisory Panel

Section 1833(t)(9)(A) of the Act, requires that we consult with an outside panel of experts when annually reviewing and updating the APC groups and the relative weights. The Act specifies that the panel will act in an advisory capacity. The expert panel, which is to be composed of representatives of providers, is to review and advise us about the clinical integrity of the APC groups and their weights. The panel is not restricted to using our data and may use data collected or developed by organizations outside the Department in conducting its review.

On November 21, 2000, the Secretary signed the charter establishing an ''Advisory Panel on APC Groups'' (the Panel). The Panel is technical in nature and is governed by the provisions of the Federal Advisory Committee Act (FACA) as amended (Pub. L. 92–463). To establish the Panel, we solicited members in a notice published in the **Federal Register** on December 5, 2000 (65 FR 75943). We received applications from more than 115 individuals nominating either themselves or a colleague. After carefully reviewing the applications, we chose 15 highly qualified individuals to serve on the Panel. The first APC Panel meeting was held on February 27, February 28, and March 1, 2001 to discuss the 2001 APCs in anticipation of the 2002 OPPS.

We published a notice in the **Federal Register** on December 14, 2001 to announce the location and time of the second Panel meeting, a list of agenda items, and that the meeting was open to the public. We also provided additional information through a press release and on our website. We convened the second meeting of the Panel on January 22 through January 24, 2002.

2. General Issues Considered by the Advisory Panel

In this section, we summarize the Panel's discussion of a recommendation by the Panel's Research Subcommittee concerning the format of written submissions and oral presentations to the Panel and of several general OPPS payment issues.

*Content for Future Presentations to the Panel*

During the 2001 meeting, the Panel heard many different types of oral presentations. The Panel members felt that requiring consistency for all presentations with regard to format, data submission, and general information would assist them in analyzing the submissions and presentations and making recommendations. Therefore, during the 2001 meeting, the Panel recommended the creation of a Research Subcommittee. The Research Subcommittee was established during the 2001 meeting and had regular conference calls to discuss the development and implementation of standards for written submissions and oral presentations to the Panel during its meetings. The Research Subcommittee also analyzed complex issues (such as the use of multiple procedure claims

data to set APC relative weights) that could not be addressed in the time allotted for the annual meeting.

The Panel began its 2002 meeting by considering the Research Subcommittee's recommendation to the Panel on requirements for written submissions and oral presentations. The Research Subcommittee recommended that all future oral presentations and written submissions contain the following:

- Name, address, and telephone number of the proposed presenter.
- Financial relationship(s), if any, with any company whose products, services, or procedures are under consideration.
- CPT codes involved.
- APC(s) affected.
- Description of the issue.
- Clinical description of the service under discussion, with comparison to other services within the APC.
- Description of the resource inputs associated with the service under discussion, with a comparison to resource inputs for other services within the APC.
- Recommendations and rationale for change.
- Expected outcome of change and potential consequences of no change.

The Panel adopted the Subcommittee s recommendation. Presentations for the 2003 meeting must contain, at a minimum, this information.

*Inpatient Only List*

At its February 2001 meeting, the Panel discussed the existence of the inpatient list. The Panel favored its elimination. At the January 2002 meeting, Panel members noted that hospitals receive no payment for a service performed in an outpatient department that appears on the inpatient list, even though the physician performing that service will receive payment for his or her services. The Panel believes the physician should determine what procedure to perform and that both the hospital and the physician should receive payment for the procedure. We continue to disagree with the position taken by the Panel regarding the inpatient list for reasons that we discuss in detail in the April 7, 2000 final rule (65 FR 18456).

Prior to the 2002 Panel meeting, we received requests from hospital and surgical associations and societies to remove certain procedures from the inpatient list. We reviewed those requests and presented to the Panel the requests for which we were unable to make a determination based on the information submitted with the request.

The Panel considered removing the following procedures from the inpatient list:

| CPT | Description |
|---|---|
| 21390 | Treat eye socket fracture. |
| 27216 | Treat pelvic ring fracture. |
| 27235 | Treat thigh fracture. |
| 32201 | Drain, percut, lung lesion. |
| 33967 | Insert ia percut device. |
| 47490 | Incision of gallbladder. |
| 62351 | Implant spinal canal cath. |
| 64820 | Remove sympathetic nerves. |
| 92986 | Revision of aortic valve. |
| 92987 | Revision of mitral valve. |
| 92990 | Revision of pulmonary valve. |
| 92997 | Pul art balloon repr, precut. |
| 92998 | Pul art balloon repr, precut. |

The Panel recommended that we solicit comments and additional information from hospitals and medical specialty societies that have an interest in these procedures. The Panel also recommended that we present to them at their 2003 meeting any such comments that we receive to assist in their evaluation of whether to recommend removing the codes from the inpatient list.

The Panel did recommend that we remove from the inpatient list CPT code 47001, Biopsy of liver, needle; when done for indicated purpose at time of other major procedure. Panel members stated that this add-on code is being billed with surgical procedures that are payable under the OPPS. The Panel noted that coding edits prevent payment for the other payable OPPS services if CPT code 47001 is on the claim. We agree with the Panel's recommendation and we propose to remove 47001 from the inpatient list. We further propose to assign it status indicator ''N'' so that costs associated with CPT code 47001 would be packaged into the APC payment for the primary procedure performed during the same operative session.

One presenter at the Panel meeting suggested removing CPT codes 53448, 54411, and 54417 from the inpatient list because he believed they were being performed in the outpatient setting. After discussing this suggestion, the Panel recommended that these codes remain on the inpatient list because they involve removing a prosthesis through an infected operative field and cannot be safely and effectively performed in the outpatient setting. We agree with the Panel's recommendation, and we are not proposing to remove these codes from the inpatient list.

In section II.B.5 of this preamble, below, we discuss additional procedures, which were not considered by the Panel, that we propose to remove from the inpatient list. We discuss in detail our reasons for proposing these additional changes, and we propose two new criteria that we would adopt in the future when evaluating whether to make a procedure on the inpatient list payable under the OPPS. Table 6 in section II.B.5 lists all the procedures we propose to remove from the inpatient list, including those discussed by the Panel. We are considering the removal of CPT code 33967, Insertion of intra-aortic balloon assist device, percutaneous from the inpatient list, but did not include it in Table 6. The Panel considered this code for removal from the inpatient list and had concerns about whether performing this procedure in an outpatient setting is appropriate. Further, we have not been able to confirm that this procedure is being performed on Medicare beneficiaries in an outpatient setting. We solicit comments, including clinical data and specific case reports, that would support payment for CPT 33967 under the OPPS.

*Multiple Bills*

During its February 2001 meeting, the Panel received oral testimony identifying CMS exclusive use of single procedure claims to set relative weights for APCs as a potential problem in setting appropriate payment rates for APCs. Therefore, the panel asked its Research Subcommittee to work with CMS staff, using the Endoscopic Retrograde Cholangiopancreatography (ERCP) code family as a case study, to explore the use of multiple procedure claims data for setting relative weights. This code family was selected because presenters had suggested that when procedures in this family are performed, it is typical to perform more than one procedure during a session.

The Subcommittee reviewed pre-OPPS claims data for these codes, paying particular attention to common code combinations and costs per procedure and per code combination. After lengthy review, the Panel concluded that (1) it could not determine whether findings based on review of pre-OPPS data could be extrapolated to post-OPPS claims data; (2) the variability in allocation of costs across ERCP line items and the existence of claims where the same ERCP code was billed more than once indicate that problems exist with the accuracy of facility coding for these procedures; and (3) analysis of multiple claims data for ERCP may not be applicable to other sets of services.

The Subcommittee made the following recommendations to the Panel, which the Panel approved:

• We should continue to explore the use of multiple procedure claims data for setting payment rates but should continue to use only single procedure claims data to determine relative payment weights for CY 2003.

• We should work with the APC Panel to explore the use of multiple claims data drawn from OPPS claims for services such as radiation oncology in time for the next APC Panel meeting.

• We should educate hospitals on appropriate coding and billing practices to ensure that claims with multiple procedures are properly coded and that costs are properly allocated to each procedure.

One presenter to the panel suggested a method to increase the number of claims that could be considered as single claims. Currently, we consider any claim submitted with two or more primary codes (that is, a code assigned to an APC for separate payment) to be a multiple procedure claim. When these claims contain line items for revenue centers without an accompanying Healthcare Common Procedure Coding System (HCPCS) code there is no way to determine the appropriate primary code with which to package the revenue center. The presenter suggested that we consider all claims where every line contains a separately payable HCPCS code as a single procedure claim, reasoning that on such claims we do not have to determine how and where to ''package'' line items not identified by a separately payable HCPCS code. Where every line item contains a separately payable HCPCS code, every cost can easily be allocated to a separately payable HCPCS code on the line item and all costs for each HCPCS code can then be accurately and completely determined.

We agree. We describe in section II.B.4 how we determined the number of single claims used to set the APC relative weights proposed for 2003 using this methodology. We ask for comments on our methodology.

*Packaging*

We sought the Panel's guidance on whether we should package the costs of HCPCS codes for radiologic guidance and radiologic supervision and interpretation services whose descriptors require that they only be performed in conjunction with a surgical procedure.

There are a number of reasons why we package the costs of certain procedures. For example, ''add-on'' procedures and radiologic guidance procedures should never be billed on a claim without the code for an associated procedure. A facility should not submit a claim for ultrasound guidance for a biopsy unless the claim also includes the biopsy procedure, because the guidance is necessary only when a biopsy is performed. A claim for a packaged guidance procedure (or a supervision and interpretation procedure whose descriptor requires it be performed in association with a surgical procedure) would be returned to the provider for correction and resubmission.

Also, we use packaging because billing conventions allow hospitals to report costs for certain services using only revenue center codes (that is, hospitals are not required to specify HCPCS codes for certain services). Packaging allows these costs to be captured in the data used to calculate median costs for services with an APC.

Several presenters to the panel requested that we not package any radiologic guidance or supervision and interpretation codes. They believe that hospitals will not use codes for which they do not receive a separate payment. If that were the case, it would be difficult to track utilization for these procedures and make it difficult for radiology departments to receive an appropriate payment for their services. A few presenters also pointed out that various forms of guidance with widely varying costs can be used for a single surgical procedure. Therefore, we might unintentionally create an incentive for inappropriate care by packaging several guidance procedures with varying costs into a single surgical code. Additionally, a manufacturer of ultrasound guidance equipment used for placement of radiation fields commented that, because guidance is rarely used for this purpose, its costs could not be adequately captured by packaging it into a common procedure where the vast majority of claims did not use guidance.

The Panel concluded that, even though we could be setting relative weights based on error claims, we should not package additional radiologic guidance and supervision and interpretation procedures and should continue to explore methodologies that would allow these procedures to be recognized for separate payment. The Panel also recommended that radiology guidance codes that were in APC 268 for CY 2001 but that were designated with status indicator ''N'' as packaged services in 2002, be restored as separately payable services for CY 2003. The Panel requested that this topic be placed on the agenda for the next Panel meeting.

Add-On Codes

We presented for the Panel's consideration several options for payment of add-on codes, including assignment of status indicator ''N'' to package them into the payment for the base procedure. Add-on codes described additional procedures performed by the same physician that are associated with the primary procedure, and which cannot be billed without the primary procedure. Such a methodology would create a single, weight averaged payment for the parent procedure and the add-on procedure while addressing the problem that any ''single'' claim for an add-on procedure is, by definition, an error claim. After thorough review, the Panel concluded that we should continue to pay for add-on codes separately, setting relative weights with the use of single procedure claims in spite of the fact that these were error claims. The Panel asked us to continue exploring ways to most appropriately pay for these services. They requested that this item also be placed on the agenda for the next Panel meeting.

We propose to accept the recommendations of the APC Panel both for packaging radiology guidance and supervision and interpretation codes and for payment of add-on codes. We are proposing to pay separately in 2003 for radiology guidance codes that were paid in APC 268 in CY 2001 but that were packaged in 2002.

3. Recommendations of the Advisory Panel and Our Responses

In this section, we consider the Panel's recommendations affecting specific APCs. The most recent data available for the Panel to review in considering specific APC groupings were the 1999–2000 pre-OPPS claims data that were the basis of the CY 2002 relative payment weights. The APC titles are shown in this discussion of the APC Panel recommendations as they existed when the APC Panel met in January 2002. In a few cases the APC titles were changed for the proposed 2003 OPPS and therefore some APCs do not have the same title in Addenda A as they have in this section.

As discussed below, the Panel sometimes declined to recommend a change in an APC even though the APC violated the 2 times rule. In section II.B.1 of this preamble, we discuss our proposals regarding the 2 times rule based on the CY 2001 data we are using to recalibrate the 2003 APC relative weights. Section II.B.1 also details the criteria we use in deciding to make an exception to the 2 times rule. We asked the Panel to review many of the

exceptions we implemented in 2001 and 2002. We refer to the exceptions as ''violations of the 2 times'' rule in the following discussion.

APC 215: Level I Nerve and Muscle Tests
APC 216: Level III Nerve and Muscle Tests
APC 218: Level II Nerve and Muscle Tests

We presented this agenda item because APC 215 appeared to violate the 2 times rule. In order to remedy this violation, we asked the Panel to consider the following changes:

- Move CPT codes 95858, 95921, and 95922 from APC 215 to APC 218.
- Move CPT code 95930 from APC 216 to APC 218.
- Move CPT code 92275 from APC 216 to APC 231.
- Move CPT code 95920 from APC 218 to APC 216.

A presenter to the Panel who represented a device manufacturer noted that the resources used to provide 95921, Autonomic nerve function test, are not similar to the resources required for performing the procedures in APC 218, where we had suggested moving the device. He requested that the code be reassigned to APC 216 where it resided in calendar year 2000. Because there were very few claims for the code in the 1999 and 2000 data, the Panel voiced concern about making the change without sufficient data to support such a move.

The Panel recommended that the changes we asked them to consider be made, that is, to move CPT codes 95921 and 95922 to APC 218. However, if the calendar year 2001 data support a move of 95921 to APC 216, the Panel recommended that we consider that move.

APC 600: Low Level Clinic Visits
APC 601: Mid Level Clinic Visits
APC 602: High Level Clinic Visits
APC 610: Low Level Emergency Visits
APC 611: Mid Level Emergency Visits
APC 612: High Level Emergency Visits

The Panel's recommendations related to facility coding for clinic and emergency department visits are discussed below, in section VIII.A.

APC 296: Level I Therapeutic Radiologic Procedures
APC 297: Level II Therapeutic Radiologic Procedures
APC 263: Level I Miscellaneous Radiology Procedures
APC 264: Level II Miscellaneous Radiology Procedures

APCs 296, 263, and 264 appear to violate the 2 times rule. We asked the Panel to consider three options for reconfiguring these APCs so that they would conform with the 2 times rule.

*Option 1:* Create a new APC, Level III Therapeutic Radiology Procedures, by moving CPT code 75984 from APC 296 and 74475 from APC 297. Also, move CPT codes 76101, 70390, and 71060 from APC 263 to APC 264 and move CPT code 75980 from APC 297 to APC 296.

*Option 2:* Move CPT codes 76101, 703690, and 71060 from APC 263 to APC 264 and move CPT code 75984 from APC 296 to APC 264. Move CPT code 75980 from APC 297 to APC 296.

*Option 3:* Create a new APC, Level III Miscellaneous Radiology Procedures, by moving CPT codes 76080, 7036736, 76101, 70390, 74190, and 71060 from APC 263. Move CPT code 74327 from APC 296 to APC 263 and move CPT code 75980 from APC 297 to APC 296. APC 264 remains unchanged.

One presenter to the panel objected to the use of miscellaneous APCs in the OPPS. The presenter argued that we are charged with creating clinically coherent APCs and that miscellaneous APCs contradict the principle of clinical coherence. We noted that in spite of considerable effort to do so, we have not been able to incorporate the procedures assigned to miscellaneous APCs into other, more clinically homogeneous APCs. We asked the presenter to propose a configuration for consideration.

The Panel noted that none of the options that we presented resolve all of the 2 times violations. However, the Panel agreed that Option 2 would create more clinically coherent APCs without creating a new APC based on anticipated device costs that would be billed in 2002. In addition, the Panel invited the American College of Radiology and other interested parties to propose further changes for the Panel's consideration next year.

We propose to accept the Panel's recommendations that option 2 be implemented.

APC 230: Level I Eye Tests and Treatments
APC 231: Level III Eye Tests and Treatments
APC 232: Level I Anterior Segment Eye Procedures
APC 233: Level II Anterior Segment Eye Procedures
APC 234: Level III Anterior Segment Eye Procedures
APC 235: Level I Posterior Segment Eye Procedures
APC 236: Level II Posterior Segment Eye Procedures
APC 237: Level III Posterior Segment Eye Procedures
APC 238: Level I Repair and Plastic Eye Procedures
APC 239: Level II Repair and Plastic Eye Procedures
APC 240: Level III Repair and Plastic Eye Procedures
APC 241: Level IV Repair and Plastic Eye Procedures
APC 242: Level V Repair and Plastic Eye Procedures
APC 247: Laser Eye Procedures Except Retinal
APC 248: Laser Retinal Procedures
APC 698: Level II Eye Tests and Treatments
APC 699: Level IV Eye Tests and Treatments

We asked the Panel to review these APCs to address clinical inconsistencies and violations of the 2 times rule. We suggested creating a new level for posterior segment eye procedures and other changes in order to make the groups more clinically coherent, as follows:

- Move CPT codes 65260 and 67218 from APC 237 to 236.
- Create a new APC (Level IV Posterior Segment Eye Procedures) by moving CPT codes 67107, 67112, 67040, and 67108 from APC 237.
- Move CPT codes 67145, 67105, and 67210 from APC 247 to APC 248.
- Move CPT code 66999 from APC 247 to APC 232.
- Move CPT code 67299 from APC 248 to APC 235.
- Move CPT codes 65855, 66761, and 66821 from APC 248 to APC 247.
- Move CPT code 67820 from APC 698 to APC 230.
- Move CPT code 67208 from APC 231 to APC 235.
- Move CPT codes 92226, 92284, 65205, 92140 from APC 231 to APC 698.
- Move CPT code 92235 from APC 231 to APC 699.
- Move CPT code 68100 from APC 233 to APC 232.
- Move CPT code 65180 from APC 233 to APC 234.
- Create a new APC (Level IV Anterior Segment Eye Procedures) by moving CPT codes 66172, 66185, 66180, 66225 from APC 234.
- Move CPT code 92275 from APC 216 to APC 231.

No presenters commented on these APCs, and, after brief discussion, the Panel recommended concurrence with our suggested changes. We propose to accept the Panel's recommendations. We note that when we were able to use 2001 claims data to re-evaluate the changes recommended by the Panel for these APCs, we found violations of the 2 times rule in the reconfigured APCs. Nonetheless, we propose to accept the

Panel's recommendations because they result in more clinically coherent APCs. We solicit comments on further changes that would address the violations of the 2 times rule. We plan to place these APCs on the panel's agenda for 2003.

APC 110: Transfusion

APC 111: Blood Product Exchange

APC 112: Apheresis, Photopheresis, and Plasmapheresis

We presented these APCs to the Panel in 2001 because of their low payment rates and concern that our cost data was inaccurate. These APCs were on the agenda this year in order to obtain further comment on our cost data. We suggested no changes in the structure of these APCs.

Representatives of two associations made presentations regarding these APCs. One recommended that all the plasma derivatives and recombinant analogs that currently receive transitional pass-through payments be assigned to permanent APCs in 2003, similar to the designations of other blood products. The representative of the second association supported this recommendation.

The second presenter also pointed out that, consistent with our billing instructions, every claim that a hospital submits for a blood transfusion should include codes for both the blood product and the transfusion. Therefore, payment for blood and blood products is another area affected by the use of single bills in setting payment weights. The Panel agreed to look specifically at blood in its work on the multiple claims issues.

The Panel recommended that plasma derivatives be placed in their own APCs and classified in the same manner as whole blood products. In addition, the Panel observed that hospitals incur additional costs with each unit of blood product transfused and, therefore, recommended that APC 110 be revised to allow for the costs of additional units of blood product and clinical services.

In section III.C, we discuss our payment proposals for drugs and biologicals for which pass-through payments are scheduled to expire in 2003. Those proposals would affect payment for blood and blood products. We propose not to accept the Panel's recommendation to change current OPPS payment policy for transfusions. The current payment reflects weight averaging over the number of units transfused. Therefore, unless a hospital specializes in transfusing multiple units of blood, payments for this procedure should be, on average, appropriate.

Panel Recommendations to Defer Changes Pending Availability of 2001 Claims Data

Regarding the remaining APC groups that are addressed below, the Panel recommended that we make no changes until data from claims billed in 2001 under the OPPS become available for analysis. The Panel further requested that we place the APC groups in this section on the agenda for consideration at its meeting in 2003. The changes that we propose for the APCs in this section are based upon our review of the 2001 claims data, which did not become available until March 2002.

APC 203: Level V Nerve Injections
APC 204: Level VI Nerve Injections
APC 206: Level III Nerve Injections
APC 207: Level IV Nerve Injections

Several presenters to the Panel suggested changes in the configuration of these APCs because of concerns that the current classifications result in payment rates that are too low relative to the resource costs associated with certain procedures in the APCs. Several of these APCs include procedures associated with drugs or with device categories for which pass-through payments are scheduled to expire in 2003. The Panel recommended that we not change the structure of these APCs at this time. Because the structure of these APCs was substantially changed for 2002, and 2002 cost data was not yet available, the Panel felt it would be appropriate to review 2002 cost data prior to making further structural changes to these APCs. We propose to accept the Panel's recommendation. We will place these APCs on the Panel's agenda when 2002 cost data becomes available.

APC 43: Closed Treatment Fracture Finger/Toe/Trunk
APC 44: Closed Treatment Fracture/ Dislocation, Except Finger/Toe/ Trunk

On the basis of 1999–2000 claims data, these APCs violate the 2 times rule. The Panel reviewed these APCs and recommended no changes.

Our subsequent review of 2001 OPPS cost data shows continuing violations of the 2 times rule and that costs within these APCs are virtually identical. Therefore, we propose to combine APCs 43 and 44 into APC 43. The procedures in the consolidated APC are clinically homogeneous.

APC 58: Level I Strapping and Cast Application
APC 59: Level II Strapping and Cast Application

The Panel reviewed these APCs and recommended that no changes be made pending analysis of 2001 claims data. The panel did recommend that billing instructions be developed on the appropriate use of the codes in these APCs. We agree with the Panel's recommendation regarding the need for billing instructions, and we expect to develop such instructions for hospitals to use in 2003.

Our subsequent review of 2001 claims data reveals that, in some cases, costs for short casts and splints are greater than costs for long casts and splints. Moreover, the proposed payments for these two APCs, based on 2001 OPPS data, would not differ significantly from each other. Therefore, we propose to combine the codes in APC 58 and APC 59 into a single APC, APC 58. Combining these APCs does not compromise clinical homogeneity. The relative weight of the proposed single APC is virtually identical to the relative weight of each of the two current APCs. We propose to continue to work with hospitals to develop appropriate coding for these services and will review the appropriate APC structure for these services next year.

APC 279: Level I Angiography and Venography Except Extremity
APC 280: Level II Angiography and Venography Except Extremity

Without the benefit of 2001 OPPS claims data, it was difficult for the Panel to determine whether the apparent violation of the 2 times rule in APCs 279 and 280 was attributable to underreporting of procedures or inaccurate coding. Therefore, the Panel recommended no changes pending the availability of the more recent claims data. After subsequently reviewing the 2001 claims data, we propose to move CPT codes 75978, Transluminal balloon angioplasty, venous, radiological supervision and interpretation, and 75774, Angiography, selective, each additional vessel studied after basic examination, radiological supervision and interpretation, to new APC 0668. This would resolve violations of the 2 times rule and result in clinically coherent APCs.

APC 115: Cannula/Access Device Procedures

We propose to move CPT code 36860, External Cannula Declotting; without balloon catheter, to APC 103, Miscellaneous Vascular Procedures. We believe this makes both APC 115 and APC 103 more clinically homogeneous and it resolves a violation of the 2 times rule in APC 115 that was caused by the presence of CPT code 36860.

APC 93: Vascular Repair/Fistula Construction

APC 140: Esophageal Dilation without Endoscopy
APC 141: Upper GI Procedures
APC 142: Small Intestine Endoscopy
APC 143: Lower GI Endoscopy
APC 144: Diagnostic Anoscopy
APC 145: Therapeutic Anoscopy
APC 146: Level I Sigmoidoscopy
APC 147: Level II Sigmoidoscopy
APC 148: Level I Anal/Rectal Procedure
APC 149: Level II Anal/Rectal Procedure

Our subsequent review of 2001 claims data suggests that the cost data for APCs 144 and 145 are aberrant. The cost data for these APCs yield relative weights and payments that are significantly higher than the relative weights for APCs 146 and 147, which consist of similar procedures performed through a sigmoidoscope rather than an anoscope. As currently arranged, the APC configuration for these services could provide a financial incentive for hospitals to perform unnecessary anoscopic procedures, either alone or with a sigmoidoscopy. To rectify this problem, we propose to move the procedures in APCs 144 and 145 to APC 147 with the exception of CPT code 46600, Anoscopy; diagnostic, which we propose to assign to APC 340, Minor Ancillary procedures. We believe these changes would result in clinically coherent APCs with appropriate relative weights and payment rates.

APC 363: Otorhinolaryngologic Function Tests

Based on 2001 claims data, we propose to move CPT codes 92543, 92588, 92520, 92546, 92516, 92548, and 92584 to new APC 0660 (Level III Otorhinolaryngolgic Function Tests). This change would resolve a 2 times rule violation and create clinically coherent APCs.

APC 96: Non-Invasive Vascular Studies
APC 265: Level I Diagnostic Ultrasound Except Vascular
APC 266: Level II Diagnostic Ultrasound Except Vascular
APC 267: Vascular Ultrasound
APC 269: Level I Echocardiogram Except Transesophageal
APC 270: Transesophageal Echocardiogram

The APC Panel recommended making no changes in the configuration of these APCs. Several groups made a joint proposal to reconfigure these APCs arguing that their proposal resulted in more clinically coherent APCs. However, several other presenters commented that the joint proposal did not include several physician groups who commonly perform these procedures.

Based on 2001 claims data, we propose to make several changes in order to resolve 2 times rule violations and to make these APCs more clinically coherent. Specifically, we propose to move CPT code 43499 from APC 0140 to APC 141; CPT code 93721 from APC 0096 to APC 368; CPT code 93740 from APC 0096 to APC 367; CPT code 93888 from APC 0267 to APC 266; and CPT code 93931 from APC 0267 to APC 266. We also propose to move CPT codes 78627, 76825, and 93320 from APC 0269 to new APC 0671 to achieve more clinical coherence. We also propose to create new APC 0670 for intravascular ultrasound and intracardiac echocardiography consisting of CPT codes 37250, 37251, 92978, 92979, and 93662.

APC 291: Level I Diagnostic Nuclear Medicine Excluding Myocardial Scans
APC 292: Level II Diagnostic Nuclear Medicine Excluding Myocardial Scans

Subsequent to the APC Panel meeting, we received comments on these APCs from the Nuclear Medicine Task Force. After a thorough review of that proposal within the context of the 2001 claims data, we propose to accept the recommendations of the Nuclear Medicine Task Force, which would result in a complete reconfiguration of APCs 290, 291, and 292. Although the reconfiguration would create violations of the 2 times rule, we agree with the Task Force that the reconfigured APCs are more clinically coherent. We note that APCs 290, 291, and 292 as currently configured would also violate the 2 times rule. Therefore, we solicit comments on the proposed reconfiguration of APCs 290, 291, and 292 and on alternative groupings that would achieve clinical coherence without violating the 2 times rule.

APC 274: Myleography
APC 179: Urinary Incontinence Procedures
APC 182: Insertion of Penile Prosthesis
APC 19: Level I Excision/Biopsy
APC 20: Level II Excision/Biopsy
APC 21: Level IV Excision/Biopsy
APC 22: Level V Excision/Biopsy
APC 694: Level III Excision/Biopsy

Based on 2001 claims data, we propose to move several codes from APC 19 to APC 20 and several codes from ACP 20 to APC 21. Additionally, we propose to move CPT codes 11770, 54105, and 60512 to APC 22. We also propose to move CPT code 58999 to APC 191 and CPT code 37799 to APC 35. These changes would result in clinically coherent APCs that do not violate the 2 times rule.

APC 24: Level I Skin Repair
APC 25: Level II Skin Repair
APC 26: Level III Skin Repair
APC 27: Level IV Skin Repair
APC 686: Level V Skin Repair

Based on 2001 claims data, we propose to move CPT code 43870 from APC 0025 to APC 141; and CPT codes with high costs from APC 26 to APC 27. We also propose to move the codes remaining in APC 26 to APC 25. APC 26 would then be deleted. These changes would result in a more compact APC structure without compromising the clinical homogeneity of the reconfigured APCs and without violating the 2 times rule. See Table 1 for codes moving from APC 26 to APC 25 or APC 27.

TABLE 1.—HCPCS CODES PROPOSED TO BE MOVED FROM APC 26 INTO APC 25 OR APC 27

| 2002 APC 26 | 2003 APC 25 | 2003 APC 27 |
|---|---|---|
| 11960 | | 11960 |
| 11970 | | 11970 |
| 12037 | 12037 | |
| 12047 | 12047 | |
| 12057 | 12057 | |
| 13150 | 13150 | |
| 13160 | | 13160 |
| 14000 | | 14000 |
| 14001 | | 14001 |
| 14020 | | 14020 |
| 14021 | | 14021 |
| 14040 | | 14040 |
| 14041 | | 14041 |
| 14060 | | 14060 |
| 14061 | | 14061 |
| 14300 | | 14300 |
| 14350 | | 14350 |
| 15000 | 15000 | |
| 15001 | 15001 | |
| 15050 | 15050 | |
| 15101 | | 15101 |
| 15120 | | 15120 |
| 15121 | | 15121 |
| 15200 | | 15200 |
| 15201 | 15201 | |
| 15220 | | 15220 |
| 15221 | 15221 | |
| 15240 | | 15240 |
| 15241 | 15241 | |
| 15260 | | 15260 |
| 15261 | 15261 | |
| 15351 | | 15351 |
| 15400 | 15400 | |
| 15401 | 15401 | |
| 15570 | | 15570 |
| 15572 | | 15572 |
| 15574 | | 15574 |
| 15576 | | 15576 |
| 15600 | | 15600 |
| 15610 | | 15610 |
| 15620 | | 15620 |
| 15630 | | 15630 |
| 15650 | | 15650 |
| 15775 | 15775 | |
| 15776 | 15776 | |
| 15819 | 15819 | |
| 15820 | | 15820 |
| 15821 | | 15821 |
| 15822 | | 15822 |
| 15823 | | 15823 |

TABLE 1.—HCPCS CODES PROPOSED TO BE MOVED FROM APC 26 INTO APC 25 OR APC 27—Continued

| 2002 APC 26 | 2003 APC 25 | 2003 APC 27 |
|---|---|---|
| 15825 | | 15825 |
| 15826 | | 15826 |
| 15829 | | 15829 |
| 15835 | 15835 | |
| 20101 | | 20101 |
| 20102 | | 20102 |
| 20910 | | 20910 |
| 20912 | | 20912 |
| 20920 | | 20920 |
| 20922 | | 20922 |
| 20926 | | 20926 |
| 23921 | 23921 | |
| 25929 | | 25929 |
| 33222 | | 33222 |
| 33223 | | 33223 |
| 44312 | | 44312 |
| 44340 | | 44340 |
| 15580—Code Deleted. | | |
| 15625—Code Deleted. | | |

APC 77: Level I Pulmonary Treatment
APC 78: Level II Pulmonary Treatment
APC 251: Level I ENT Procedures
APC 252: Level II ENT Procedures
APC 253: Level III ENT Procedures
APC 254: Level IV ENT Procedures
APC 256: Level V ENT Procedures

Based on 2001 claims data, we propose to address violations of the 2 times rule by moving CPT codes 40812, 42330, and 21015 from APC 0252 to APC 253 and by moving CPT codes 41120 and 30520 to APC 254.

*B. Other Changes Affecting the APCs*

1. Limit on Variation of Costs of Services Classified Within a Group

Section 1833(t)(2) of the Act provides that the items and services within an APC group cannot be considered comparable with respect to the use of resources if the highest cost item or service within a group is more than 2 times greater than the lowest cost item or service within the same group. However, the statute authorizes the Secretary to make exceptions to this limit on the variation of costs within each group in unusual cases such as low volume items and services. No exception may be made, however, in the case of a drug or biological that has been designated as an orphan drug under section 526 of the Federal Food, Drug, and Cosmetic Act.

Taking into account the proposed APC changes discussed in relation to the APC panel recommendations in this section of this preamble and the use of 2001 claims data to calculate the median cost of procedures classified to APCs, we reviewed all the APCs to determine which of them would not meet the 2 times limit. We use the following criteria when deciding whether to make exceptions to the 2 times rule for affected APCs:

- Resource homogeneity.
- Clinical homogeneity.
- Hospital concentration.
- Frequency of service (volume).
- Opportunity for upcoding and code fragmentation.

For a detailed discussion of these criteria, refer to the April 7, 2000 final rule (65 FR 18457).

The following table contains APCs that we propose to exempt from the 2 times rule based on the criteria cited above. In cases in which compliance with the 2 times rule appeared to conflict with a recommendation of the APC Advisory Panel, we generally accepted the Panel recommendation. This was because Panel recommendations were based on explicit consideration of resource use, clinical homogeneity, hospital specialization, and the quality of the data used to determine payment rates.

The median cost for hospital outpatient services for these and all other APCs can be found at website: *http://www.cms.hhs.gov.*

TABLE 2.—TABLE OF EXEMPTED CODES

| NPRM APC | Description |
|---|---|
| 0012 | Level I Debridement & Destruction |
| 0019 | Level I Excision/ Biopsy |
| 0020 | Level II Excision/ Biopsy |
| 0025 | Level II Skin Repair |
| 0032 | Insertion of Central Venous/Arterial Catheter |
| 0043 | Closed Treatment Fracture Finger/Toe/Trunk |
| 0046 | Open/Percutaneous Treatment Fracture or Dislocation |
| 0058 | Level I Strapping and Cast Application |
| 0074 | Level IV Endoscopy Upper Airway |
| 0080 | Diagnostic Cardiac Catheterization |
| 0081 | Non-Coronary Angioplasty or Atherectomy |
| 0093 | Vascular Repair/Fistula Construction |
| 0097 | Cardiac and Ambulatory Blood Pressure Monitoring |
| 0099 | Electrocardiograms |
| 0103 | Miscellaneous Vascular Procedures |
| 0105 | Revision/Removal of Pacemakers, AICD, or Vascular |
| 0121 | Level I Tube changes and Repositioning |
| 0140 | Esophageal Dilation without Endoscopy |
| 0147 | Level II Sigmoidoscopy |
| 0148 | Level I Anal/Rectal Procedure |
| 0155 | Level II Anal/Rectal Procedure |
| 0165 | Level III Urinary and Anal Procedures |
| 0170 | Dialysis |
| 0179 | Urinary Incontinence Procedures |
| 0191 | Level I Female Reproductive Proc |
| 0192 | Level IV Female Reproductive Proc |
| 0203 | Level VI Nerve Injections |
| 0204 | Level I Nerve Injections |
| 0207 | Level III Nerve Injection |
| 0218 | Level II Nerve and Muscle Tests |
| 0225 | Implantation of Neurostimulator Electrodes |
| 0230 | Level I Eye Tests & Treatments |
| 0231 | Level III Eye Tests & Treatments |

TABLE 2.—TABLE OF EXEMPTED CODES—Continued

| NPRM APC | Description |
|---|---|
| 0233 | Level II Anterior Segment Eye Procedures |
| 0235 | Level I Posterior Segment Eye Procedures |
| 0238 | Level I Repair and Plastic Eye Procedures |
| 0239 | Level II Repair and Plastic Eye Procedures |
| 0252 | Level II ENT Procedures |
| 0260 | Level I Plain Film Except Teeth |
| 0274 | Myelography |
| 0286 | Myocardial Scans |
| 0290 | Level I Diagnostic Nuclear Medicine Excluding Myocardial Scans |
| 0291 | Level II Diagnostic Nuclear Medicine Excluding Myocardial Scans |
| 0294 | Level I Therapeutic Nuclear Medicine |
| 0297 | Level II Therapeutic Radiologic Procedures |
| 0303 | Treatment Device Construction |
| 0304 | Level I Therapeutic Radiation Treatment Preparation |
| 0330 | Dental Procedures |
| 0345 | Level I Transfusion Laboratory Procedures |
| 0354 | Administration of Influenza/Pneumonia Vaccine |
| 0356 | Level II Immunizations |
| 0367 | Level I Pulmonary Test |
| 0368 | Level II Pulmonary Tests |
| 0370 | Allergy Tests |
| 0373 | Neuropsychological Testing |
| 0600 | Low Level Clinic Visits |
| 0602 | High Level Clinic Visits |
| 0660 | Level III Otorhinolaryngologic Function Tests |
| 0692 | Electronic Analysis of Neurostimulator Pulse Generators |
| 0694 | Mohs Surgery |
| 0698 | Level II Eye Tests & Treatments |

2. Procedures Moved From New Technology APCs to Clinically Appropriate APCs

In the November 30, 2001 final rule, we made final our proposal to change the period of time during which a service may be paid under a new technology APC (66 FR 59903), initially established in the April 7, 2000 final rule. That is, beginning in 2002, we will retain a service within a new technology APC group until we have acquired adequate data that allow us to assign the service to a clinically appropriate APC. This policy allows us to move a service from a new technology APC in less than 2 years if sufficient data are available, and it also allows us to retain a service in a new technology APC for more than 3 years if sufficient data upon which to base a decision for reassignment have not been collected.

Effective in 2003, we propose to move several procedures from new technology APCs to clinical APCs. Those procedures and the clinical APCs to which we propose to assign the procedures for payment in 2003 are identified in Table 3. Based upon our review of the 2001 OPPS claims data, we believe we have sufficient information upon which to base assignment of these procedures to clinical APCs. In making this determination, we reviewed both single and multiple procedure claims. We compared median cost data for the new technology procedures with median cost data for procedures that are clinically similar and for which we would expect costs to be similar. We also compared median cost data for the new technology procedures with median cost data for clinically related procedures, such as different methods of treating prostatic hypertrophy, where expected median costs were lower or higher than those of the new technology procedure. In some cases we propose classification of a new technology procedure in an APC with procedures that are similar both clinically and in terms of resource consumption. In other cases, we propose to create a new APC for a new technology procedure because we do not believe any of the existing APCs contain procedures that are clinically similar and similar in terms of resource consumption. We solicit comments on our proposed reassignment of the new technology procedures listed in Table 3.

TABLE 3.—PROPOSED CHANGES IN HCPCS ASSIGNMENTS FROM NEW TECHNOLOGY APCS TO PROCEDURE APCS FOR 2003

| HCPCS | Description | 2002 SI | 2003 SI | 2002 APC | 2003 APC |
|---|---|---|---|---|---|
| 19103 | Bx breast percut w/device | S | T | 0710 | 0658 |
| 33282 | Implant pat-active ht record | S | S | 0710 | 0680 |
| 36550 | Declot vascular device | T | T | 0972 | 0677 |
| 53850 | Prostatic microwave thermotx | T | T | 0982 | 0675 |
| 53852 | Prostatic rf thermotx | T | T | 0982 | 0675 |
| 55873 | Cryoablate prostate | T | T | 0982 | 0674 |
| 76075 | Dual energy x-ray study | S | S | 0707 | 0288 |
| 76076 | Dual energy x-ray study | S | S | 0707 | 0665 |
| 77520 | Proton trmt, simple w/o comp | S | S | 0710 | 0664 |
| 77522 | Proton trmt, simple w/comp | S | S | 0710 | 0664 |
| 77523 | Proton trmt, intermediate | S | S | 0712 | 0664 |

TABLE 3.—PROPOSED CHANGES IN HCPCS ASSIGNMENTS FROM NEW TECHNOLOGY APCS TO PROCEDURE APCS FOR 2003—Continued

| HCPCS | Description | 2002 SI | 2003 SI | 2002 APC | 2003 APC |
|---|---|---|---|---|---|
| 77525 | Proton treatment, complex | S | S | 0712 | 0664 |
| 92586 | Auditor evoke potent, limit | S | S | 0707 | 0218 |
| 95965 | Meg, spontaneous | T | S | 0972 | 0717 |
| 95966 | Meg, evoked, single | T | S | 0972 | 0714 |
| 95967 | Meg, evoked, each addl | T | S | 0972 | 0712 |
| C1300 | Hyperbaric oxygen | S | S | 0707 | 0659 |
| C9708 | Preview Tx Planning Software | T | T | 0975 | 0973 |
| G0125 | PET img WhBD sgl pulm ring | T | S | 0976 | 0667 |
| G0166 | Extrnl counterpulse, per tx | T | T | 0972 | 0678 |
| G0168 | Wound closure by adhesive | T | X | 0970 | 0340 |
| G0173 | Stereo radoisurgery, complete | S | S | 0721 | 0663 |
| G0204 | Diagnostic mammography digital | S | S | 0707 | 0669 |
| G0206 | Diagnostic mammography digital | S | S | 0707 | 0669 |
| G0210 | PET img whbd ring dxlung ca | S | S | 0714 | 0667 |
| G0211 | PET img whbd ring init lung | S | S | 0714 | 0667 |
| G0212 | PET img whbd ring restag lun | S | S | 0714 | 0667 |
| G0213 | PET img whbd ring dx colorec | S | S | 0714 | 0667 |
| G0214 | PET img whbd ring init colre | S | S | 0714 | 0667 |
| G0215 | PET img whbd restag col | S | S | 0714 | 0667 |
| G0216 | PET img whbd ring dx melanom | S | S | 0714 | 0667 |
| G0217 | PET img whbd ring init melan | S | S | 0714 | 0667 |
| G0218 | PET img whbd ring restag mel | S | S | 0714 | 0667 |
| G0220 | PET img whbd ring dx lymphom | S | S | 0714 | 0667 |
| G0221 | PET img whbd ring init lymph | S | S | 0714 | 0667 |
| G0222 | PET img whbd ring resta lymp | S | S | 0714 | 0667 |
| G0223 | PET img whbd reg ring dx hea | S | S | 0714 | 0667 |
| G0224 | PET img whbd reg ring ini hea | S | S | 0714 | 0667 |
| G0225 | PET img whbd ring restag hea | S | S | 0714 | 0667 |
| G0226 | PET img whbd dx esophag | S | S | 0714 | 0667 |
| G0227 | PET img whbd ring ini esopha | S | S | 0714 | 0667 |
| G0228 | PET img whbd ring restg esop | S | S | 0714 | 0667 |
| G0229 | PET img metabolic brain ring | S | S | 0714 | 0667 |
| G0230 | PET myocard viability ring | S | S | 0714 | 0667 |
| G0231 | PET WhBD colorec; gamma cam | S | S | 0714 | 0667 |
| G0232 | PET WhBD lymphoma; gamma cam | S | S | 0714 | 0667 |
| G0233 | PET WhBD melanoma; gamma cam | S | S | 0714 | 0667 |
| G0234 | PET WhBD pulm nod, gamma cam | S | S | 0714 | 0667 |

3. APC Assignment for New Codes Created During 2002

During CY 2002 we created several HCPCS codes to describe services newly covered by Medicare and payable under the hospital OPPS. While we have assigned these services to APCs for CY 2002, the assignments are open to public comment in this proposed rule. In this proposed rule, we solicit comment on the APC assignment of these services. In addition, in this proposed rule, we are proposing the creation of several new HCPCS codes and APC assignments with an effective date of January 1, 2003. Table 4 below includes new procedural HCPCS codes either created for implementation in July 2002, which we intend to implement in October 2002, or which we propose to implement January 2003.

Table 4 does not include new codes for drugs and devices for which we established or intend to establish pass-through payment eligibility in July or October 2002. Furthermore, neither the new procedural HCPCS nor the new pass-through codes intended as of this publication for implementation beginning October 2002 or later are included in Addendum B of this proposed rule.

TABLE 4.—NEW G CODES FOR 2002 AND PROPOSED G CODES FOR 2003

| Code | Long descriptor | APC | SI | Proposed effective date |
|---|---|---|---|---|
| G0245 | Initial physician evaluation of a diabetic patient with diabetic sensory neuropathy resulting in a loss of protective sensation (LOPS) which must include the procedure used to diagnose LOPS; a patient history; and a physician examination that consists of at least the following elements—* * *. | 0600 | V | 7/01/02 |
| G0246 | Follow-up physician evaluation of a diabetic patient with diabetic sensory neuropathy resulting in a loss of protective sensation (LOPS) which must include the procedure used to diagnose LOPS; a patient history; and a physician examination that includes—* * *. | 0600 | V | 7/01/02 |
| G0247 | Routine foot care by a physician of a diabetic patient with diabetic sensory neuropathy resulting in a loss of protective sensation (LOPS) to include if present at least the following—* * *. | 0009 | T | 7/01/02 |

TABLE 4.—NEW G CODES FOR 2002 AND PROPOSED G CODES FOR 2003—Continued

| Code | Long descriptor | APC | SI | Proposed effective date |
|---|---|---|---|---|
| G0248 | Demonstration, at initial use, of home INR monitoring for a patient with mechanical heart valve(s) who meets Medicare coverage criteria, under the direction of a physician; includes: demonstration use and care of the INR monitor, obtaining at least one blood sample provision of instructions for reporting home INR test results and documentation of a patient's ability to perform testing. | 0708 | S | 7/01/02 |
| G0249 | Provision of test material and equipment for home INR monitoring to patient wih mechanical heart valve(s) who meets Medicare coverage criteria. Includes provision of materials for use in the home and reporting of test results to physician; per 4 tests. | 0708 | S | 7/01/02 |
| G0250 | Physician review/interpretation and patient management of home INR test for patient with mechanical heart valve(s) who meets other coverage criteria; per 4 tests (does not require face-to-face service). | N/A | E | 7/01/02 |
| G0AAA | PET imaging for initial diagnosis of breast cancer and/or surgical planning for breast cancer (for example, initial staging of axillary lymph nodes), not covered by Medicare.. | N/A | E | 10/01/02 |
| G0BBB | PET imaging for breast cancer, full and partial-ring PET scanners only, staging/restaging after or prior to course of treatment. | 0285 | S | 10/01/02 |
| G0CCC | PET imaging for breast cancer, full and partial-ring PET scanners only, evaluation of response to treatment, performed during course of treatment. | 0285 | S | 10/01/02 |
| G0DDD | Current Perception Threshold/Sensory Nerve Conduction Test, (SNCT) per limb, any nerve.. | N/A | E | 10/01/02 |
| G0EEE | Intravenous infusion(s) during separately payable observation stay, Per observation stay (must be reported with G0244). | 0340 | X | 10/01/02 |
| G0FFF | Bone marrow aspiration and biopsy performed through a single incision during a single session. | 0003 | T | 1/01/03 |
| G0GGG | Unscheduled or emergency treatment for dialysis for ESRD patient in the outpatient department of a hospital that does not have a certified ESRD facility. | 0170 | S | 1/01/03 |
| G0HHH | Injection procedure for sacroiliac joint; arthrography | N/A | N | 1/01/03 |
| G0JJJ | Injection procedure for sacroiliac joint; provision of anesthetic, steroid, and/or other therapeutic agent. | 0204 | T | 1/01/03 |
| G0KKK | Prostate brachytherapy, including transperineal placement of needles or catheters into the prostate, cystoscopy, and interstitial radiation source application.. | 0684 | T | 1/01/03 |
| G0LLL | Initial nursing assessment of patient directly admitted to observation with diagnosis of congestive heart failure, chest pain or asthma.. | N | N | 1/01/03 |
| G0MMM | Initial nursing assessment of patient directly admitted to observation with diagnosis other than congestive heart failure, chest pain or asthma.. | 0706 | S | 1/01/03 |
| G0NNN | Transcatheter placement of a drug eluting intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; single vessel.. | 0656 | T | 01/01/03 |
| G0OOO | Transcatheter placement of a drug eluting intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; each additional vessel.. | 0656 | T | 01/01/03 |

HCPCS Codes Created During CY 2002

The G codes G0245 through G0250 were created to implement payment for newly covered Medicare services due to national coverage determinations. The G codes G0AAA–G0DDD will be established October 1, 2002 as a result of national coverage policies that will be effective October 1, 2002. These codes were created to accurately describe the services covered, to ensure they were reported correctly, to track their utilization, and to establish payment. We solicit comments on the APC assignment of these services. The codes describing evaluation and management services were assigned to clinic visit APCs containing similar services, and the codes describing procedural services were assigned to new technology APCs or to APCs containing procedures requiring similar resource consumption. Because G0250 is a professional service furnished by a physician, it is not payable under OPPS.

We expect to implement HCPCS code G0EEE (Intravenous Infusion(s) During Separately Payable Observation Stay) effective October 1, 2002 to describe infusion therapy given during a separately payable observation stay. This code is discussed in detail in section VIII.B of this proposed rule. We have assigned it to APC 0340. We believe APC 0340 appropriately accounts for the resources used for infusion during observation. This is because we believe that Q0081, which represents the same service as G0EEE, is typically billed with an APC that has a higher relative weight, therefore making APC 0120 payable at 50 percent of its payment rate.

HCPCS Codes Proposed in This Rule for January 1, 2003

We are proposing the creation of several new HCPCS codes for 2003 in order to address issues that have come to our attention, to describe new technology procedures, to implement policy proposals discussed in this rule, and to allow more appropriate reporting of procedures currently described by CPT (HCPCS Level I) codes.

(1) G0FFF—Bone Marrow Aspiration and Biopsy Services—we are proposing to create this code to describe bone marrow aspiration and biopsy performed through the same incision. We propose to place this code in APC 0003. This code also appears in the proposed rule for the physician fee schedule, published in the June 28, 2002 issue of the **Federal Register** (67

FR 43846). This code would facilitate proper reporting of this procedure.

(2) G0GGG—Unscheduled and Emergency Treatment for ESRD Patients—we are proposing this code in order to facilitate payment for dialysis provided to ESRD patients in the outpatient department of a hospital that does not have a certified ESRD facility. This code is described in detail in section VIII.G of this proposed rule.

(3) G0HHH and G0JJJ—Sacroiliac Joint Injections—we are proposing to create these two codes to replace CPT code 27096, Injection procedure for sacroiliac joint, arthrography and/or anesthetic steroid. CPT code 27096 describes two distinct procedures requiring different resource consumption. Moreover, our policy of packaging injection procedures required packaging of this procedure even when it was used to report injection of a steroid or anesthetic. In these cases, it was appropriately billed without another procedure and should have been payable. Therefore, in order to facilitate appropriate reporting and payment for the procedures described by CPT code 27096, we propose to create G0HHH, Injection procedure for sacroiliac joint, arthrography, and G0JJJ, Injection procedure for sacroiliac joint, provision of anesthetic and/or steroid. G0HHH would be given status indicator N, and G0JJJ would be assigned to APC 0204.

(4) G0KKK—Prostate Brachytherapy—we are proposing this code to implement our policy decision discussed in section III.C.3 of this proposed rule.

(5) G0LLL and G0MMM—Observation Care—we are proposing to create these codes to describe observation care provided to a patient who is directly admitted from a physician's office to a hospital for observation care. These codes are discussed in detail in section VIII.B of this rule.

(6) G0NNN, G0OOO; Drug Eluting Stents—

*Drug-Eluting Stents*

Drug-eluting coronary artery stents (referred to as ''drug-eluting stents'' in the discussion that follows) have been developed to combat the problem of restenosis of blood vessels previously treated for stenosis. The drug is coated on a stent with a special polymer, and after the stent is placed in the vessel, the drug is slowly released into the vessel wall tissue over a period of 30 to 45 days. The drug coating on the stent is intended to prevent the build-up of scar tissue that can narrow the reopened artery. The FDA has not yet approved this technology for general use. We understand the earliest date that a decision from the FDA is anticipated is late 2002.

We received an application to establish a new medical device category eligible for transitional pass-through payment under the OPPS for drug-eluting stents from a manufacturer of these stents. In the application for the new device category, the manufacturer asserts that drug-eluting stents meet the criteria for establishing a new device category that were set forth in the November 2, 2001 **Federal Register**. Specifically, the manufacturer believes a new device category is appropriate because drug-eluting stents meet the cost significance thresholds for a new device category, and they provide substantial therapeutic benefit to Medicare beneficiaries compared to other available therapies for coronary atherosclerosis.

Based on our review of the application as well as other information pertaining to drug-eluting stents, we determined that drug-eluting stents are described by an existing pass-through device category. As we discuss in section III.D of this preamble, section 1833(t)(6)(B)(ii)(IV) of the Act requires that a new category must include medical devices for which no existing category, or one previously in effect, is appropriate. In the program memorandum that we issued to our contractors on March 22, 2001 (Transmittal A–01–41) with instructions for the implementation of category codes for use in making transitional pass-through payments for devices, we established two categories that describe and could be used to bill for drug-eluting stents: HCPCS code C1874, Stent, coated/covered, with delivery system, and HCPCS code C1875, Stent, coated/covered, without delivery system. These two categories were based on devices that previously qualified for transitional pass-through payment on an item-specific basis. Although these two device categories are among those that will sunset after December 31, 2002, as we discuss in section III.C of this preamble, the fact that they exist precludes the establishment of a new device category for drug-eluting stents.

Payment for drug-eluting stents is not allowed under the OPPS until they receive FDA approval for general use. If the drug-eluting stents are approved for general use by the FDA, payment would be packaged into the APC payment for the procedures with which the stents are used. The cost of drug-eluting stents would be incorporated within the APC relative payment weights when we recalibrate the payment weights in CY 2005 using CY 2003 claims data.

In considering how we would pay for drug eluting stents under OPPS we thought carefully about how the payment should relate to payment for these stents under IPPS. Section 533 of BIPA added sections 1886(d)(5)(K) and (d)(5)(L) to the Act (as implemented by § 42 CFR 412.87 and 412.88 ) to reduce the time needed under the hospital inpatient PPS for the DRG system to recognize the higher costs of new technologies that meet certain criteria. Drug-eluting stents did not meet the inpatient PPS new technology cost threshold criterion in the May 9, 2002 proposed rule to update the hospital inpatient PPS for FY 2003. Therefore, in that proposed rule, we listed a new ICD–9 procedure code 36.07 (Insertion of drug-eluting coronary artery stent(s)) that would be effective for use October 1, 2002. We also proposed to add ICD–9 code 00.55 (Insertion of drug-eluting noncoronary artery stent) (67 FR 31630). To be consistent with our prior practice of assigning new technology to the same DRGs to which its predecessor technologies were assigned, we proposed in the May 9 inpatient PPS proposed rule to assign inpatient cases involving ICD–9 code 36.07 to DRG 517 (Percutaneous Cardiovascular Procedure with Coronary Artery Stent without AMI).

However, comments to the May 9, 2002 proposed IPPS rule and our own further consideration of this issue persuaded us that a different approach was needed for the IPPS given the preliminary evidence that drug-eluting stents could prove potentially to be transformational technology in the treatment of coronary artery disease. While this technology is not yet approved for general use by FDA, commenters to the May 9 hospital inpatient PPS proposed rule reported that drug-eluting stents have shown promise to significantly advance the treatment of coronary artery disease, and they encouraged CMS to consider the available data to determine the most appropriate DRG payment. Commenters supported reassignment of the new procedure codes for drug-eluting stent insertions to higher paying DRGs or, if necessary, the modification of all affected DRGs, once verifiable data on the costs associated with drug-eluting stents become available.

Many of the commenters who supported higher payment under the inpatient PPS for this technology were clinical practitioners and hospitals, who expressed great anticipation for the potential benefits of this technology. In addition, commenters referred to the likelihood that, once approved, patients would demand to have these new drug-

eluting stents, putting tremendous financial strain on hospitals.

Commenters to the proposed rule for the inpatient PPS for FY 2003 also argued there should be long-term cost savings to the Medicare program and the health system generally from this technology after approval by the FDA. Specifically, if dramatically fewer patients require restenting, savings will result from fewer repeat angioplasty procedures. And, to the extent bypass surgeries are reduced, savings would result from that outcome as well.

In responding to these commenters in the inpatient final rule published in the **Federal Register** on August 1, 2002 (67 FR 50003), we noted that, although the FDA has not yet approved this technology for general use, public presentation of the results from recent clinical trials have found virtually no in-stent restenosis in patients treated with the drug-eluting stent. Therefore, we recognize the potentially significant impact this technology may conceivably have on the treatment of coronary artery blockages.

We are concerned that, if the FDA does approve this technology and the predictions of its rapid, widespread use are accurate, significant strain on hospital financial resources would result. In particular, we are concerned that the higher costs of this technology would create undue financial hardships for hospitals due to the high volume of stent cases and the fact that a large proportion of these cases could involve the new technology soon after FDA approval. Therefore, in the final rule for the FY 2003 inpatient PPS, we implemented an unprecedented approach in response to the unique circumstances surrounding the potential breakthrough nature of this technology and we created two new DRGs to reflect cases involving the insertion of a drug-eluting coronary artery stent. We discuss in detail in the final inpatient PPS rule our rationale for establishing these DRGs (67 FR 50003–50005).

Although the clinical trials for drug-eluting stents are being conducted on hospital inpatients, our 2001 hospital outpatient claims data included nearly 18,000 claims for procedures utilizing other types of coronary stents in the hospital outpatient setting. Every indication points to a steady increase in the future volume of coronary stent procedures performed on an outpatient basis. The same concerns that we express above about the impact of the advent of drug-eluting stents on hospital resources apply to procedures performed in the outpatient setting as well as the inpatient setting. We created these new DRGs for drug-eluting stents to ensure and promote beneficiary access to the best care possible by ensuring that our payment system keeps pace with what we believe will be a growing volume of coronary stent procedures if FDA approves drug-eluting coronary artery stents. We want to ensure that the costs of drug-eluting stents will be recognized sufficiently quickly to ensure beneficiary access in the outpatient setting over the 2 years that it will take for the costs of these devices to appear in the Medicare data on which we will base Medicare payments for them.

Drug-eluting stents may have been commercially marketed for 2 years by the time cost data for stent insertion procedures performed in CY 2003 are incorporated into the APC relative weights under the OPPS for CY 2005. Therefore, as we have done under the inpatient PPS for FY 2003 under these exceptional circumstances, we propose to deviate from our standard OPPS payment methodology to ensure consistent payment for drug-eluting stents in both the inpatient and outpatient settings; to ensure that hospital resources are not negatively affected by a sudden surge in demand for this new technology if FDA approval is received; and, to ensure that Medicare payment does not impede beneficiary access to what appears to be a potentially landmark advance in the treatment of coronary disease. Consistent with the special approach we implemented in the inpatient PPS final rule, we propose to create two new HCPCS codes and a new APC that may be used to pay for the insertion of coronary artery drug-eluting stents under the OPPS, to be effective if these stents receive FDA approval for general use. Of course, as with other new procedures, FDA approval does not mean that Medicare will always cover the approved item. Medicare coverage depends upon whether an item or service is medically necessary to treat illness or injury as determined by Medicare contractors based on the specifics of individual cases.

The new HCPCS codes that we propose are as follows: G0NNN—Transcatheter placement of a drug eluting intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; single vessel G0OOO—Transcatheter placement of a drug eluting intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; each additional vessel.

We propose to assign G0NNN and G0OOO to new APC 0656, Transcatheter Placement of Drug-Eluting Coronary Stents, with a status indicator of T.

To establish a payment amount for the proposed new APC, we propose to apply the same assumptions that we used in establishing the weights for DRG 526 (Percutaneous Cardiovascular Procedure with Drug-Eluting Stent with AMI) and DRG 527 (Percutaneous Cardiovascular Procedure With Drug-Eluting Stent Without AMI) as described in the final rule implementing the FY 2003 inpatient PPS. That is, based on prices in countries where drug-eluting stents are currently being used, manufacturer information and information furnished in response to the May 9, 2002 IPPS proposed rule, and the average price of currently available stents, we assume a price differential of approximately $1,200. Using an average of 1.5 stents per procedure, we propose to add $1,200 to the median costs established for APC 0104 based on 2001 claims data. We would then calculate a relative payment weight and payment rate for APC 0656 in accordance with the methodology that we discuss in section II.B. of this preamble. By taking this approach, we believe that payment for drug-eluting stents would be balanced between the OPPS and the inpatient PPS, minimizing the incentive to use payment as the basis for determining where to furnish this new technology.

We are taking the extraordinary temporary measure of establishing this APC and pricing it as we propose only because we have been advised by experts that these stents can be expected to revolutionize the provision of coronary care and can be expected to supplant use of existing stents. While the statute contemplates the difficulties of setting OPPS payments for new devices by providing the transitional pass-through mechanism, that mechanism does not work in this circumstance since these devices fall into a previously existing device category and do not meet the test for inclusion in new technology APCs. However, the law permits us to take into account changes in technology and the addition of new factors (See section 1833(t)(9)(A)) of the Act. In this case, we think the impact of this new technology will be so great compared to other new technologies that, to ensure beneficiary access to state-of-the-art medical care, we believe that we need to create new codes and a separate APC, paid based on the best information currently available, to ensure adequate payment to providers and access to care during the first 2 years of the device's existence. To undertake this methodology in other cases, we would

have to be similarly convinced that the technology would not qualify for pass-through payment nor new technology APC payment, that it will revolutionize the provision of care and that it will replace an existing technology. As indicated previously, this payment mechanism would be a temporary one that would exist only until 2005, at which point we would have sufficient data to determine how to pay for these devices under the standard OPPS methodology for setting payment amounts.

We propose to implement payment under APC 0656 effective April 1, 2003, consistent with the effective date for implementation of the drug-eluting DRGs under the OPPS and contingent upon FDA approval by that date. If the FDA grants approval prior to April 1, 2003, hospitals would be paid for insertion of coronary artery drug-eluting stents under APC 104.

We are proposing to establish the new HCPCS codes and APC group for coronary artery drug-eluting stents to allow close tracking of the utilization and costs associated with these services. Once we obtain adequate cost data for coronary artery drug-eluting stents, we propose to incorporate these data into the current CPT codes for coronary stent placement. We invite comments on this proposed methodology for recognizing the additional costs of drug-eluting stents under the OPPS.

It is important to emphasize that we anticipate that the vast majority of new technologies in the future will continue to be routinely incorporated into the existing DRGs or through the new technology add-on payments under the inpatient PPS. Similarly, we expect in the future to continue to make payment under the OPPS for the vast majority of new technologies through the existing provisions for transitional pass-through payments for new devices, drugs, and biologicals and through new technology APCs.

4. Recalibration of APC Weights for 2003

Section 1833(t)(9)(A) of the Act requires that the Secretary review and revise the relative payment weights for APCs at least annually, beginning in 2001 for application in 2002. In the April 7, 2000 final rule (65 FR 18482), we explained in detail how we calculated the relative payment weights that were implemented on August 1, 2000 for each APC group. Except for some reweighting due to APC changes, these relative weights continued to be in effect for 2001. (See the November 13, 2000 interim final rule (65 FR 67824 to 67827).)

To recalibrate the relative APC weights for services furnished on or after January 1, 2003 and before January 1, 2004, we are proposing to use the same basic methodology that we described in the April 7, 2000 final rule. That is, we would recalibrate the weights based on claims and cost report data for outpatient services. We propose to use the most recent available data to construct the database for calculating APC group weights. For the purpose of recalibrating APC relative weights for 2003, the most recent available claims data are the approximately 110 million final action claims for hospital outpatient department services furnished on or after January 1, 2001 and before January 1, 2002 and processed through March 2002. Many of these 110 million claims were for services that are not paid under OPPS (such as, clinical laboratory tests). We matched the claims that are paid under OPPS to the most recent cost report filed by the individual hospitals represented in our claims data. The APC relative weights would continue to be based on the median hospital costs for services in the APC groups.

a. Data Issues

(1) Treatment of ''Multiple Procedure'' Claims

We have received many requests (through an April Town Hall meeting and other sources of contact with the public) asking that we ensure that the data from claims that contain charges for multiple procedures are included in the data from which we calculate the 2003 relative payment weights. They believe that relying solely on single procedure claims to recalibrate APC weights fails to take into account data for many frequently performed procedures, particularly those commonly performed in combination with other procedures.

We agree that optimally, it is desirable to use the data from as many claims as possible to recalibrate the relative payment weights, including those with multiple procedures. We identified certain multiple procedure claims that could be treated as single procedure claims, enabling us to greatly increase the number of services used to develop the APC payment weights for 2003. However, several inherent features of multiple bill claims prevented us from using all of them to recalibrate the payment weights. We discuss these obstacles below.

There are four scenarios that occur when multiple procedures are billed on a claim that result in our being unable to use all of those claims to recalibrate the APC weights. In each case, the underlying problem is that there are charges on the claim that we are unable to correctly associate with the HCPCS codes for the procedures on the claim (that is, payable HCPCS codes). In general, we are unable to determine with confidence what portion of those charges should be packaged into the charges for each of the procedures on the claim. The different scenarios that we describe below may occur singly or in combination on the same claim.

In the first scenario, costs associated with outpatient hospital services are reported in revenue centers that cannot be associated with individual HCPCS codes because they are ancillary and supportive of some or all services furnished to the beneficiary. We do not require that hospitals assign a HCPCS code to each revenue center and charge or that they split the charges within revenue centers by HCPCS code because they advise us that they are unable to account for costs in this manner. In addition, to collect and report this information would be burdensome and costly.

Where there is only one HCPCS code for a procedure on the claim, we can assign supporting charges in revenue centers to the single HCPCS code. However, when there are two or more HCPCS codes for procedures on the claim, we have no basis for allocating appropriately the ancillary charges reported under revenue centers to the HCPCS codes for separately payable procedures. For example, a claim containing HCPCS codes for a visit and a surgical procedure may show charges under the revenue center for family clinic (517) for the visit and under operating room (360) for the surgery. But in addition, the claim could show charges under the following revenue centers without assigning a HCPCS code to the revenue center: recovery room (710), charge A for sterile supplies (272), charge B for sterile supplies (272), anesthesia (370), and pharmacy (250). If only a single HCPCS code was billed, we could sum the charges shown under the ancillary revenue centers and attribute those charges to the HCPCS code for the single HCPCS code that was billed. However, because there is more than one separately payable code on the claim (clinic visit and surgery), we do not know which charge for sterile supplies should be mapped to the visit and which should be assigned to the surgery. Similarly, there is nothing on the claim to indicate whether the total pharmacy charge is associated with the surgery or with the clinic visit, or split between them. For this type of multiple procedure claim, we have chosen to

exclude the claim from the pool of charges used to calculate median APC costs rather than risk assigning the ancillary revenue center charges incorrectly. This type of multiple procedure claim, often much more complex than this example, accounts for a significant portion of the multiple procedure claims that we are unable to use to recalibrate payment weights.

In the second scenario, we are unable to correctly assign to procedures the charges for HCPCS codes that we package into other procedures. HCPCS codes with status indicator ''N'' are not paid separately. Rather, the payment for these packaged items or services is recognized in the payment for a service or services billed on the same claim for which there is an APC payment rate. In calculating the median costs, we have to know where to incorporate the charges shown for the HCPCS code with status indicator ''N.'' When a packaged HCPCS codes is on a claim that also bills for more than one primary procedure (that is, procedures for which we make separate payment), we do not know with which of the procedures the charges for the packaged HCPCS code should be associated, or whether the charges for the packaged HCPCS code should be apportioned on some basis among the multiple primary procedures.

In the third scenario, in the case of multiple surgical procedures, our billing instructions permit hospitals to show charges for only one surgical procedure code although they report more than one surgical HCPCS code. Specifically, this billing convention has long been permitted in Medicare Intermediary Manual section 3626.4B3 and was reconfirmed by Medicare Transmittal A–01–50, which was issued on April 12, 2001 *(http://www.hcfa.gov/pubforms/transmit/A0150.pdf)* in response to hospital requests that we clarify whether they were required to create and report charges for each HCPCS code for each surgical service billed on a claim. We believe that to report charges for each HCPCS code for surgical services would have imposed an additional accounting and billing burden on hospitals that had not previously existed. This would have been in addition to the changes to the claims format and instructions that hospitals had recently made to accommodate OPPS and our other initiatives. As in the case of the ancillary services billed under revenue centers, the charges for each HCPCS code for the surgery were not needed to ensure that correct payment was made on the claim (since payment was made based on the code's APC assignment and not on reported charges).

However, because hospitals are permitted to report operating room charges for only one of the multiple surgical procedures on a claim, we are unable to identify a valid means of apportioning the operating room charges to the other procedures that were performed. We are not aware of any research on comparative hospital outpatient department (OPD) resource consumption by HCPCS codes that would indicate how to apportion a total charge among the individual codes on the claim. Moreover, these multiple surgical procedure claims frequently have problems similar to those discussed above in scenario one. Therefore, we are unable to use data from multiple surgery claims that are submitted in this form to calculate APC median costs.

In the fourth scenario are claims with multiple units of the same HCPCS code billed with charges in revenue centers or packaged HCPCS codes. In this case, we cannot determine the appropriate distribution of charges on the claim between the first and subsequent units of the HCPCS code. To approximate the charges that would occur if single rather than multiple units of the HCPCS code were billed, we would have to inflate the charges for the second and subsequent units of the service, which would eliminate the impact of the efficiencies that we believe occur when second and subsequent units of a procedure are performed. There are no data to suggest an appropriate factor to apportion charges for the second and subsequent units.

We considered several methods of apportioning charges from revenue centers and packaged HCPCS codes to enable us to use charge data from multiple procedure claims in the calculation of APC weights, but none of these methods was sufficient to yield cost data that we could be assured were valid. Specifically, we considered dividing the total charges in a revenue center or for a packaged HCPCS code by the number of payable HCPCS codes for multiple procedures on the claim. In the example of a claim for a visit code and a surgical code with the revenue center for sterile supplies billed twice on the same claim, we would sum the charges for sterile supplies, divide the sum by 2, and add the resulting divided charges for sterile supplies to the charges for each HCPCS code. The single pharmacy charge would be divided by 2, and half of the pharmacy charge would be added to each HCPCS code. We rejected this approach because of concern about whether it is likely to be sufficiently accurate to serve as a reasonable means of apportioning charges.

We also considered apportioning the charges among the codes based on physician work relative value units (RVUs) because time is a major factor in the establishment of physician work RVUs under the Medicare fee schedule for physician services. Time may be reflective of the comparative amount of resources used by the hospital for different surgical procedures, particularly charges for operating rooms, recovery rooms, and observation rooms. However, physician work RVUs also depend in part on the intensity and difficulty of the work of a physician in providing a service and would therefore not necessarily reflect accurately the relative resources a hospital would expend for the same procedure. Moreover, we do not believe that time appropriately reflects the use of resources such as pharmacy and supplies.

We then considered apportioning the charges among the codes based on physician nonfacility practice expense RVUs because practice expense RVUs reflect relative resource utilization for these services. However, we have no evidence that the relative practice expenses of physicians correlate with the resources that a hospital would use for the same service. Moreover, physician practice expenses are minimal for the many services typically furnished in a facility rather than the physician's office. For these services, the practice expense RVU reflects only minimal expenses for services, such as the physician's billing costs. They are, therefore, an inadequate proxy for the facility costs, such as supplies, drugs, equipment, nursing services, and overhead costs incurred by hospitals.

In summary, we concluded that the inherent drawbacks of these methodologies would outweigh any potential advantages accrued from the resulting increase in data used to calculate APC median costs. Without evidence to the contrary, we believe that applying these arbitrary methods of apportioning costs to multiple procedure claims would yield results that are less reliable and valid than continuing to rely on single procedure claims in calculating APC median costs.

We solicit public comment on the methods we considered for apportioning the total charges to individual HCPCS codes as described above. We also invite suggestions of other alternative means of apportioning the total costs on multiple procedure claims to the HCPCS codes for the procedures so that we can use more data from multiple procedure claims in the 2004 update of the OPPS.

We also solicit information on existing studies that would provide

comparative hospital outpatient resource inputs by HCPCS code. In addition, we welcome suggestions for studies that we might undertake either to determine the relative value of OPD resources by HCPCS code or to provide a valid means of apportioning the charges among HCPCS codes when multiple surgical procedures are billed on the same claim with a single total charge for all services.

Further, we ask for comments on the feasibility of requiring hospitals to apportion all charges currently shown in revenue centers to the HCPCS codes billed so that we could use all multiple services claims in the calculation of the relative weights. For example, where the patient received multiple surgeries on the same day or received a visit and a procedure on the same day, the hospital would have to create a charge for each billable HCPCS code and that charge would have to encompass all charges for OR, recovery room, pharmacy, supplies, etc. that were relevant to that code. No charges would be billed under revenue centers alone or with packaged HCPCS codes (that is, HCPCS codes having a status indicator of N) since all charges would be reported under associated payable HCPCS codes. There would have to be corollary changes in completion of the cost report. Also, because hospitals must have a uniform charge structure, providers would need to charge all other payers and private pay patients in the same manner as they would be required to charge Medicare.

We are particularly interested in the views of hospitals and billing experts weighing the burden that could be created by these changes in billing rules relative to the potential benefit of calculating more precise OPPS payment rates that incorporate data from multiple procedure claims.

Finally, we solicit information regarding the extent to which efficiencies are realized when multiple services are furnished during the same visit or operative session. We currently discount the APC payment for the second and subsequent procedures performed during a single encounter by 50 percent in the expectation that the same efficiencies of service that are demonstrated to exist in the provision of physician services also exist in the provision of outpatient hospital services. In general, when a second or subsequent service is performed at the same time as an initial service, we believe that the combined resource costs associated with operating room time, recovery room time, anesthesia, supplies, and other services are less than if the procedures were performed separately. However, we are interested in empirical data regarding the extent to which these efficiencies of resource consumption actually occur.

(2) Calendar Year 2002 Charge Data for Pass-Through Device Categories

HCPCS coding for medical devices that qualified for transitional pass-through payment for services furnished in 2001 occurred in two different ways. (A detailed discussion of the provisions authorizing transitional pass-through payments for certain medical devices and drugs and biologicals can be found in section III of this preamble.) From August 1, 2000 until April 1, 2001, claims for medical devices that were paid on a pass-through basis were coded using device specific codes that were often manufacturer specific. BBRA required that, effective April 1, 2001, claims for medical devices eligible for transitional pass-through payment were to be billed using codes that applied to categories of devices. We issued the applicable category codes in Program Memoranda, Transmittals A–01–40 and A–01–41. We posted them on our web site at *http://www.hcfa.gov/pubforms/transmit/A0140.pdf* and *http://www.hcfa.gov/pubforms/transmit/A0141.pdf,* respectively. The change to the use of category codes, rather than device specific codes, simplified coding and also expanded the number of devices that were eligible for transitional pass-through payment. The expansion occurred because devices that fit the categories but that had previously not met the criteria for transitional pass-through payments could now be billed for a transitional pass-through payment.

Moreover, in recognition of the impact of the change on hospital billing and in recognition of the short time between the passage of legislation (December 14, 2000) and the effective date for the new codes (April 1, 2001), we gave hospitals a 90-day grace period during which they could bill using either the device specific codes they had previously been using or the new category codes. For this reason, only services furnished on or after July 1, 2001 were required to be billed using the new device category codes.

We have been advised that during the period in which the 2001 OPPS was in effect, hospitals may not have billed properly for devices eligible for transitional pass-through payments. We understand that the changes in billing format and systems for implementation of the OPPS compounded the problems of billing using the device specific codes during the first 9 months of the OPPS. We have been informed that these problems were further compounded by the creation and requirement to use category codes on and after April 1, 2001. In general, we have been advised that hospitals may have been underpaid for transitional pass-through devices (because they did not bill separately for them and therefore did not get the pass-through payment) and that our data will not correctly show the charges associated with the devices (because the devices were not coded with device category codes on the claim).

We agree that where hospitals failed to show the code for the transitional pass-through device (whether the device specific code or the category code as applicable), they will not have received payment for the device as a transitional pass-through device. For many years, there have been processes in place for hospitals to submit adjustment bills so they can receive payment for all applicable services they furnished if they subsequently determine that their original bills were deficient. Notwithstanding, there is no method by which we can infer a charge on a claim for a service that is not billed by the hospital.

Regarding the impact of the absence of coding for devices on the data from claims submitted for July 2001 and later, we looked at the claims data for a sample of services for which we thought there should have been a device category billed because of the nature of the procedure (for example, insertion of a pacemaker). We found that there were many instances when a device category code was not billed when we would have expected it. However, we found that when we summed the charges for revenue centers with the charges for the procedure on claims where no category code was reported and compared those totals with the sum of charges from claims where both a device category code and the associated procedure code were billed, the results were very similar. From this analysis, we conclude that in many cases, particularly during the first half of the calendar year, hospitals included charges for transitional pass-through devices in the revenue center for supplies. Therefore, we believe cost data for transitional pass-through devices are contained in the charges of most claims, even where they are not separately identified by the code for the device category, which should have been reported.

We believe that this absence of category codes in the claims data and our data analysis, and the issues surrounding multiple procedure claims argue strongly for packaging the cost of these devices into the payment for the procedures with which they were used and to then create weights for

procedures for the 2003 OPPS. Incorrect device coding could lead to skewed weights for the retired transitional pass-through devices, if we were to establish individual APCs for the expired device categories.

We believe that packaging the charges billed under the revenue centers into the charges for the procedures before setting the weights for the APCs will allow us to capture all of the cost data for services in which devices were used which will result in the most valid payment for the APC. This approach assures that the payment rate for the procedure includes accurate payment for the devices used in the procedure. Further discussion of our proposal to package payment for sunsetting transitional pass-through devices is contained in section III.C of this preamble.

b. Description of How Weights Were Calculated for 2003

The methodology we followed to calculate the APC relative payment weights proposed for CY 2003 is as follows:

- We excluded from the data approximately 15 million claims for those bill and claim types that would not be paid under the OPPS (for example, bill type 72X for dialysis services for patients with end-stage renal disease (ESRD)).
- Using the most recent available cost report from each hospital, we converted billed charges to costs and aggregated them to the procedure or visit level first by identifying the cost-to-charge ratio specific to each hospital's cost centers (''cost center specific cost-to-charge ratios'' or CCRs) and then by matching the CCRs to revenue centers used on the hospital's 2001 outpatient bills. The CCRs include operating and capital costs but exclude items paid on a reasonable cost basis.
- We eliminated from the hospital CCR data 301 hospitals that we identified as having reported charges on their cost reports that were not actual charges (for example, a uniform charge applied to all services).
- We calculated the geometric mean of the total operating CCRs of hospitals remaining in the CCR data. We removed from the CCR data 67 hospitals whose total operating CCR exceeded the geometric mean by more than 3 standard deviations.
- We excluded from our data approximately 3 million claims submitted by the hospitals that we removed or trimmed from the hospital CCR data.
- We eliminated 1.2 million claims from hospitals located in Maryland, Guam, and the U.S. Virgin Islands.
- We matched revenue centers from the remaining universe of approximately 92.2 million claims to CCRs hospitals.
- We separated the 92.2 million claims that we had matched with a cost report into the following three distinct groups: (1) single-procedure claims, (2) multiple-procedure claims, and (3) claims on which we could not identify at least one OPPS covered service. Single-procedure claims are those that include only one HCPCS code (other than laboratory and incidentals such as packaged drugs and venipuncture) that could be grouped to an APC. Multiple-procedure claims include more than one HCPCS code that could be mapped to an APC. Dividing the claims in this manner yielded approximately 30.4 million single-procedure claims and 20.1 million multiple-procedure claims. Approximately 41.5 million claims without at least one covered OPPS service were set aside.

We converted 10.7 million multiple-procedure claims to single-procedure claims using the following criteria: (1) If a multiple-procedure claim contained lines with a HCPCS code in the pathology series (that is, CPT 80000 series of codes), we treated each of those lines as a single claim. (2) For multiple procedure claims with a packaged HCPCS code (status indicator ''N'') on the claim, we ignored line items for chest X-rays (HCPCS codes 71010 and/or 71020) and/or EKGs (HCPCS code 93005) on these claims. If only one procedure (other than HCPCS codes 71010, 71020, and 93005) existed on the claim, we treated it as a single-procedure claim. (3) If the claim had no packaged HCPCS codes and if there were no packaged revenue centers on the claim, we treated each line with a procedure as a single claim if the line item was billed as a single unit. (4) If the claim had no packaged HCPCS codes on the claim but had packaged revenue centers for the procedure, we ignored the line item for chest X-rays and/or EKG codes (as identified above) and if only one HCPCS code remained, we treated the claim as a single procedure claim. We created an additional 31.3 million single-procedure bills through this process, which enabled us to use these data from multiple-procedure claims in calculation of the APC relative payment weights.

- To calculate median costs for services within an APC, we used only single-procedure bills and those multiple procedure bills that we converted into single claims. If a claim had a single code with a zero charge (that would have been considered a single-procedure claim), we did not use it. As we discussed in section II.B.4.a.(1) of this preamble, we did not use multiple-procedure claims that billed more than one separately payable HCPCS code with charges for packaged items and services such as anesthesia, recovery room, or supplies that could not be reliably allocated or apportioned among the primary HCPCS codes on the claim. We have not yet developed what we regard as an acceptable method of using multiple-procedure bills to recalibrate APC weights that minimizes the risk of improperly assigning charges to the wrong procedure or visit.
- For each single-procedure claim, we calculated a cost for every billed line item charge by multiplying each revenue center charge by the appropriate hospital-specific CCR. If an appropriate cost center did not exist for a given hospital, we crosswalked the revenue center to a secondary cost center when possible, or used the hospital's overall cost-to-charge ratio for outpatient department services. We excluded from this calculation all charges associated with HCPCS codes previously defined as not paid under the OPPS (for example, laboratory, ambulance, and therapy services). We included all charges associated with HCPCS codes that are designated as packaged services (that is, HCPCS codes with the status indicator of ''N'').
- To calculate per-service costs, we used the charges shown in revenue centers that contained items integral to performing the service. We observed the packaging provisions set forth in the April 7, 2000 final rule with comment period that were in effect during 2001 (65 FR 18484). For instance, in calculating the cost of a surgical procedure, we included charges for the operating room, treatment rooms, recovery, observation, medical and surgical supplies, pharmacy, anesthesia, casts and splints, and donor tissue, bone, and organs. To determine medical visit costs, we included charges for items such as medical and surgical supplies, drugs, and observation in those instances where they are still packaged. Table 5 lists packaged services by revenue center that we are proposing to use to calculate per-service costs for outpatient services furnished in 2003.

TABLE 5.—PACKAGED SERVICES BY REVENUE CODE

| Revenue code | Description |
|---|---|
| **Surgery** | |
| 250 | PHARMACY |
| 251 | GENERIC |
| 252 | NONGENERIC |
| 257 | NONPRESCRIPTION DRUGS |
| 258 | IV SOLUTIONS |
| 259 | OTHER PHARMACY |
| 260 | IV THERAPY, GENERAL CLASS |
| 262 | IV THERAPY/PHARMACY SERVICES |
| 263 | IV THERAPY/DRUG SUPPLY/DELIVERY |
| 264 | IV THERAPY/SUPPLIES |
| 269 | OTHER IV THERAPY |
| 270 | M&S SUPPLIES |
| 271 | NONSTERILE SUPPLIES |
| 272 | STERILE SUPPLIES |
| 274 | PROSTHETIC/ORTHOTIC DEVICES |
| 275 | PACEMAKER DRUG |
| 276 | INTRAOCULAR LENS SOURCE DRUG |
| 278 | OTHER IMPLANTS |
| 279 | OTHER M&S SUPPLIES |
| 280 | ONCOLOGY |
| 289 | OTHER ONCOLOGY |
| 290 | DURABLE MEDICAL EQUIPMENT |
| 370 | ANESTHESIA |
| 379 | OTHER ANESTHESIA |
| 390 | BLOOD STORAGE AND PROCESSING |
| 399 | OTHER BLOOD STORAGE AND PROCESSING |
| 560 | MEDICAL SOCIAL SERVICES |
| 569 | OTHER MEDICAL SOCIAL SERVICES |
| 624 | INVESTIGATIONAL DEVICE (IDE) |
| 630 | DRUGS REQUIRING SPECIFIC IDENTIFICATION, GENERAL CLASS |
| 631 | SINGLE SOURCE |
| 632 | MULTIPLE |
| 633 | RESTRICTIVE PRESCRIPTION |
| 700 | CAST ROOM |
| 709 | OTHER CAST ROOM |
| 710 | RECOVERY ROOM |
| 719 | OTHER RECOVERY ROOM |
| 720 | LABOR ROOM |
| 721 | LABOR |
| 762 | OBSERVATION ROOM |
| 810 | ORGAN ACQUISITION |
| 819 | OTHER ORGAN ACQUISITION |
| **Medical Visit** | |
| 250 | PHARMACY |
| 251 | GENERIC |
| 252 | NONGENERIC |
| 257 | NONPRESCRIPTION DRUGS |
| 258 | IV SOLUTIONS |
| 259 | OTHER PHARMACY |
| 270 | M&S SUPPLIES |
| 271 | NONSTERILE SUPPLIES |
| 272 | STERILE SUPPLIES |
| 279 | OTHER M&S SUPPLIES |
| 560 | MEDICAL SOCIAL SERVICES |
| 569 | OTHER MEDICAL SOCIAL SERVICES |
| 630 | DRUGS REQUIRING SPECIFIC IDENTIFICATION, GENERAL CLASS |
| 631 | SINGLE SOURCE DRUG |
| 632 | MULTIPLE SOURCE DRUG |
| 633 | RESTRICTIVE PRESCRIPTION |
| 637 | SELF-ADMINISTERED DRUG (INSULIN ADMIN. IN EMERGENCY DIABETIC COMA |
| 700 | CAST ROOM |
| 709 | OTHER CAST ROOM |
| 762 | OBSERVATION ROOM |
| . | |
| 942 | EDUCATION/TRAINING |
| **Other Diagnostic** | |
| 254 | PHARMACY INCIDENT TO OTHER DIAGNOSTIC |
| 280 | ONCOLOGY |
| 289 | OTHER ONCOLOGY |

TABLE 5.—PACKAGED SERVICES BY REVENUE CODE—Continued

| Revenue code | Description |
|---|---|
| 372 | ANESTHESIA INCIDENT TO OTHER DIAGNOSTIC |
| 560 | MEDICAL SOCIAL SERVICES |
| 569 | OTHER MEDICAL SOCIAL SERVICES |
| 622 | SUPPLIES INCIDENT TO OTHER DIAGNOSTIC |
| 624 | INVESTIGATIONAL DEVICE (IDE) |
| 710 | RECOVERY ROOM |
| 719 | OTHER RECOVERY ROOM |
| 762 | OBSERVATION ROOM |
| **Radiology** | |
| 255 | PHARMACY INCIDENT TO RADIOLOGY |
| 280 | ONCOLOGY |
| 289 | OTHER ONCOLOGY |
| 371 | ANESTHESIA INCIDENT TO RADIOLOGY |
| 560 | MEDICAL SOCIAL SERVICES |
| 569 | OTHER MEDICAL SOCIAL SERVICES |
| 621 | SUPPLIES INCIDENT TO RADIOLOGY |
| 624 | INVESTIGATIONAL DEVICE (IDE) |
| 710 | RECOVERY ROOM |
| 719 | OTHER RECOVERY ROOM |
| 762 | OBSERVATION ROOM |
| **All Other APC Groups** | |
| 250 | PHARMACY |
| 251 | GENERIC |
| 252 | NONGENERIC |
| 257 | NONPRESCRIPTION DRUGS |
| 258 | IV SOLUTIONS |
| 259 | OTHER PHARMACY |
| 260 | IV THERAPY, GENERAL CLASS |
| 262 | IV THERAPY PHARMACY SERVICES |
| 263 | IV THERAPY DRUG/SUPPLY/DELIVERY |
| 264 | IV THERAPY SUPPLIES |
| 269 | OTHER IV THERAPY |
| 270 | M&S SUPPLIES |
| 271 | NONSTERILE SUPPLIES |
| 272 | STERILE SUPPLIES |
| 279 | OTHER M&S SUPPLIES |
| 560 | MEDICAL SOCIAL SERVICES |
| 569 | OTHER MEDICAL SOCIAL SERVICES |
| 630 | DRUGS REQUIRING SPECIFIC IDENTIFICATION, GENERAL CLASS |
| 631 | SINGLE SOURCE DRUG |
| 632 | MULTIPLE SOURCE DRUG |
| 633 | RESTRICTIVE PRESCRIPTION |
| 762 | OBSERVATION ROOM |
| 942 | EDUCATION/TRAINING |

• We standardized costs for geographic wage variation by dividing the labor-related portion of the operating and capital costs for each billed item by the proposed FY 2003 hospital inpatient prospective payment system (IPPS) wage index published in the **Federal Register** on May 9, 2002 (67 FR 31602). We used 60 percent to represent our estimate of that portion of costs attributable, on average, to labor. We have used this estimate since the inception of the OPPS and continue to believe that it is appropriate. See 65 FR 18496, the April 7, 2000 final rule for a complete description of how we derived this percentage.

• We summed the standardized labor-related cost and the nonlabor-related cost component for each billed item to derive the total standardized cost for each procedure or medical visit.

• We removed extremely unusual costs that appeared to be errors in the data using a trimming methodology analogous to what we use in calculating the diagnosis-related group (DRG) weights for the hospital IPPS. That is, we eliminated any bills with costs outside of 3 standard deviations from the geometric mean.

• After trimming the procedure and visit level costs, we mapped each procedure or visit cost to its assigned APC, including, to the extent possible, the proposed APC changes described in section II.A of this preamble.

• We calculated the median cost for each APC.

• Using the median APC costs, we calculated the relative payment weights for each APC. As in prior years, we scaled all the relative payment weights to APC 0601, Mid-level clinic visit, because it is one of the most frequently performed services in the hospital outpatient setting. This approach is consistent with that used in developing relative value units for the Medicare physician fee schedule. We assigned APC 0601 a relative payment weight of 1.00 and divided the median cost for each APC by the median cost for APC 0601 to derive the relative payment weight for each APC. Using 2001 data, the median cost for APC 0601 is $56.77.

Section 1833(t)(9)(B) of the Act requires that APC reclassification and recalibration changes and wage index changes be made in a manner that assures that aggregate payments under the OPPS for 2003 are neither greater

than nor less than the aggregate payments that would have been made without the changes. To comply with this requirement concerning the APC changes, we compared aggregate payments using the CY 2002 relative weights to aggregate payments using the CY 2003 proposed weights. Based on this comparison, we are proposing to make an adjustment of 1.04227 to the weights. The weights that we are proposing for 2003, which incorporate the recalibration adjustments explained in this section, are listed in Addendum A and Addendum B.

5. Procedures That Will Be Paid Only As Inpatient Procedures

Before implementation of the OPPS, Medicare paid reasonable costs for services provided in the outpatient department. The claims submitted were subject to medical review by the fiscal intermediaries to determine the appropriateness of providing certain services in the outpatient setting. We did not specify in regulations those services that were appropriate to provide only in the inpatient setting and that, therefore, should be payable only when provided in that setting.

Section 1833(t)(1)(B)(i) of the Act gives the Secretary broad authority to determine the services to be covered and paid for under the OPPS. In the April 7, 2000 final rule, we identified procedures that are typically provided only in an inpatient setting and, therefore, would not be paid by Medicare under the OPPS (65 FR 18455). These procedures comprise what is referred to as the ''inpatient list.'' The inpatient list specifies those services that are only paid when provided in an inpatient setting. These are services that require inpatient care because of the nature of the procedure, the need for at least 24 hours of postoperative recovery time or monitoring before the patient can be safely discharged, or the underlying physical condition of the patient. As we discussed in the April 7, 2000 and the November 30, 2001 final rules, we use the following criteria when reviewing procedures to determine whether or not they should be moved from the inpatient list and assigned to an APC group for payment under the OPPS:

- Most outpatient departments are equipped to provide the services to the Medicare population.
- The simplest procedure described by the code may be performed in most outpatient departments.
- The procedure is related to codes we have already moved off the inpatient list.

We update the inpatient list as often as quarterly through program memoranda to reflect current advances in medical practice. We last updated the inpatient list in the November 30, 2001 final rule. As we discuss in section II.A.2, above, the APC Panel at its January 2002 meeting reviewed certain procedures on the inpatient list for which we had received requests that they be made payable under the OPPS. The Panel recommended that we solicit comments and further information about all these procedures except for CPT code 47001, which they recommended be removed from the inpatient list (see section II.A.2 above for a discussion of this and the other codes that the Panel considered for removal from the inpatient list). These procedures are included in Table 6, with the exception of CPT code 33967, which we are not proposing to pay for under the OPPS for reasons that we explain in section II.A.2.

In preparing this proposed rule to update the OPPS for CY 2003, we compared procedures with status indicator ''C'' (status indicator ''C'' is assigned to inpatient procedures that are not payable under the OPPS) to the list of procedures that are currently on the ambulatory surgical center (ASC) list of approved procedures, to procedures that we proposed to add to the ASC list in a proposed rule published in the **Federal Register** on June 12, 1998 (63 FR 32291), and to procedures recommended for addition to the ASC list by commenters in response to the June 12, 1998 proposed rule. We found that there are procedures on the current ASC list, or procedures proposed for addition to the ASC list, or procedures recommended by commenters for addition to the ASC list that are assigned status indicator ''C'' under the OPPS. A review of 2001 physician claims data also revealed that physicians are performing some of these ''C'' status indicator procedures on Medicare beneficiaries on an outpatient basis. We concluded that it was appropriate to propose removal of procedures from the OPPS inpatient list that are being performed on an outpatient basis and/or that we had determined could be safely and appropriately performed on a Medicare beneficiary in an ASC under the applicable ASC rules that are set forth in 42 CFR 416.22. We believe that our payment policies for surgical procedures provided in an outpatient hospital setting and in the ASC setting should be consistent to the extent possible within the limitations imposed by statutory or regulatory requirements. So, we propose to add the following criteria for use in reviewing procedures to determine whether they should be removed from the inpatient list and assigned to an APC group for payment under the OPPS:

- We have determined that the procedure is being performed in numerous hospitals on an outpatient basis; or
- We have determined that the procedure can be appropriately and safely performed in an ASC and is on the list of approved ASC procedures or proposed by us for addition to the ASC list.

In addition to the procedures considered by the APC Panel for removal from the inpatient list, Table 6 includes the procedures that we are proposing to be removed from the inpatient list for payment under the OPPS. We applied the criteria discussed above in order to be consistent with the ASC list of approved procedures, and with utilization data that indicate the procedures are being performed on an outpatient basis. We solicit comments on whether the procedures in Table 6 should be paid under the OPPS. We also solicit comments on the APC assignment that we propose for these procedures in the event we determine in the final rule, based on comments, that these procedures would be payable under the OPPS in 2003. We ask that commenters recommending reclassification of a procedure to an APC include evidence (preferably from peer-reviewed medical literature) that the procedure is being performed on an outpatient basis in a safe and effective manner.

Following our review of the comments that we receive about the procedures in Table 6, we propose either to assign a CPT code to an APC for payment under the OPPS or, if the comments do not provide sufficient information and data to enable us to make a decision, to present the comments to the APC Panel at its 2003 meeting.

TABLE 6.—PROCEDURES ON THE INPATIENT LIST PROPOSED FOR PAYMENT UNDER THE OPPS IN CY 2003.

| CPT code | Proposed status indicator | Proposed APC | Description |
|---|---|---|---|
| 21390 | T | 0256 | OPEN TREATMENT OF ORBITAL FLOOR BLOWOUT FRACTURE; PERIORBITAL APPROACH, WITH ALLOPLASTIC OR OTHER IMPLANT. |
| 22100 | T | 0208 | PARTIAL EXCISION OF POSTERIOR VERTEBRAL COMPONENT (EG, SPINOUS PROCESS, LAMINA OR FACET) FOR INTRINSIC BONY LESION, SINGLE VERTEBRAL SEGMENT; CERVICAL. |
| 22101 | T | 0208 | PARTIAL EXCISION OF POSTERIOR VERTEBRAL COMPONENT (EG, SPINOUS PROCESS, LAMINA OR FACET) FOR INTRINSIC BONY LESION, SINGLE VERTEBRAL SEGMENT; THORACIC. |
| 22102 | T | 0208 | PARTIAL EXCISION OF POSTERIOR VERTEBRAL COMPONENT (EG, SPINOUS PROCESS, LAMINA OR FACET) FOR INTRINSIC BONY LESION, SINGLE VERTEBRAL SEGMENT; LUMBAR. |
| 22103 | T | 0208 | PARTIAL EXCISION OF POSTERIOR VERTEBRAL COMPONENT (EG, SPINOUS PROCESS, LAMINA OR FACET) FOR INTRINSIC BONY LESION, SINGLE VERTEBRAL SEGMENT; EACH ADDITIONAL SEGMENT (LIST SEPARATELY IN ADDITION TO CODE FOR PRIMARY PROCEDURE). |
| 23035 | T | 0049 | INCISION, BONE CORTEX (EG, OSTEOMYELITIS OR BONE ABSCESS), SHOULDER AREA. |
| 23125 | T | 0051 | CLAVICULECTOMY; TOTAL. |
| 23195 | T | 0050 | RESECTION, HUMERAL HEAD. |
| 23395 | T | 0051 | MUSCLE TRANSFER, ANY TYPE, SHOULDER OR UPPER ARM; SINGLE. |
| 23397 | T | 0052 | MUSCLE TRANSFER, ANY TYPE, SHOULDER OR UPPER ARM; MULTIPLE. |
| 23400 | T | 0050 | SCAPULOPEXY (EG, SPRENGELS DEFORMITY OR FOR PARALYSIS). |
| 24150 | T | 0052 | RADICAL RESECTION FOR TUMOR, SHAFT OR DISTAL HUMERUS;. |
| 24151 | T | 0052 | RADICAL RESECTION FOR TUMOR, SHAFT OR DISTAL HUMERUS; WITH AUTOGRAFT (INCLUDES OBTAINING GRAFT). |
| 24152 | T | 0052 | RADICAL RESECTION FOR TUMOR, RADIAL HEAD OR NECK;. |
| 24153 | T | 0052 | RADICAL RESECTION FOR TUMOR, RADIAL HEAD OR NECK; WITH AUTOGRAFT (INCLUDES OBTAINING GRAFT). |
| 25170 | T | 0052 | RADICAL RESECTION FOR TUMOR, RADIUS OR ULNA. |
| 25390 | T | 0050 | OSTEOPLASTY, RADIUS OR ULNA; SHORTENING. |
| 25391 | T | 0051 | OSTEOPLASTY, RADIUS OR ULNA; LENGTHENING WITH AUTOGRAFT. |
| 25392 | T | 0050 | OSTEOPLASTY, RADIUS AND ULNA; SHORTENING (EXCLUDING 64876). |
| 25393 | T | 0051 | OSTEOPLASTY, RADIUS AND ULNA; LENGTHENING WITH AUTOGRAFT. |
| 25420 | T | 0051 | REPAIR OF NONUNION OR MALUNION, RADIUS AND ULNA; WITH AUTOGRAFT (INCLUDES OBTAINING GRAFT). |
| 27035 | T | 0052 | DENERVATION, HIP JOINT, INTRAPELVIC OR EXTRAPELVIC INTRA-ARTICULAR BRANCHES OF SCIATIC, FEMORAL, OR OBTURATOR NERVES. |
| 27216 | T | 0050 | PERCUTANEOUS SKELETAL FIXATION OF POSTERIOR PELVIC RING FRACTURE AND/OR DISLOCATION (INCLUDES ILIUM, SACROILIAC JOINT AND/OR SACRUM). |
| 27235 | T | 0050 | PERCUTANEOUS SKELETAL FIXATION OF FEMORAL FRACTURE, PROXIMAL END, NECK, UNDISPLACED, MILDLY DISPLACED, OR IMPACTED FRACTURE. |
| 31582 | T | 0256 | LARYNGOPLASTY; FOR LARYNGEAL STENOSIS, WITH GRAFT OR CORE MOLD, INCLUDING TRACHEOTOMY. |
| 31785 | T | 0254 | EXCISION OF TRACHEAL TUMOR OR CARCINOMA; CERVICAL. |
| 32201 | T | 0070 | PNEUMONOSTOMY; WITH PERCUTANEOUS DRAINAGE OF ABSCESS OR CYST. |
| 38700 | T | 0113 | SUPRAHYOID LYMPHADENECTOMY. |
| 42842 | T | 0254 | RADICAL RESECTION OF TONSIL, TONSILLAR PILLARS, AND/OR RETROMOLAR TRIGONE; WITHOUT CLOSURE. |
| 43030 | T | 0253 | CRICOPHARYNGEAL MYOTOMY. |
| 47490 | T | 0152 | PERCUTANEOUS CHOLECYSTOSTOMY. |
| 47001 | N | | BIOPSY OF LIVER, NEEDLE; WHEN DONE FOR INDICATED PURPOSE AT TIME OF OTHER MAJOR PROCEDURE. |
| 62351 | T | 0208 | IMPLANTATION, REVISION OR REPOSITIONING OF TUNNELED INTRATHECAL OR EPIDURAL CATHETER, FOR LONG-TERM MEDICATION ADMINISTRATION VIA AN EXTERNAL PUMP OR IMPLANTABLE RESERVOIR/INFUSION PUMP; WITH LAMINECTOMY. |
| 64820 | T | 0220 | SYMPATHECTOMY; DIGITAL ARTERIES, EACH DIGIT. |
| 69150 | T | 0252 | RADICAL EXCISIONS EXTERNAL AUDITORY CANAL LESION; WITHOUT NECK DISSECTION. |
| 69502 | T | 0254 | MASTOIDECTOMY; COMPLETE. |
| 92986 | T | 0083 | PERCUTANEOUS BALLOON VALVULOPLASTY; AORTIC VALVE. |
| 92987 | T | 0083 | PERCUTANEOUS BALLOON VALVULOPLASTY; MITRAL VALVE. |
| 92990 | T | 0083 | PERCUTANEOUS BALLOON VALVULOPLASTY; PULMONARY VALVE. |
| 92997 | T | 0081 | PERCUTANEOUS TRANSLUMINAL PULMONARY ARTERY BALLOON ANGIOPLASTY; SINGLE VESSEL. |
| 92998 | T | 0081 | PERCUTANEOUS TRANSLUMINAL PULMONARY ARTERY BALLOON ANGIOPLASTY; EACH ADDITIONAL VESSEL (LIST SEPARATELY IN ADDITION TO CODE FOR PRIMARY PROCEDURE) |

*C. Partial Hospitalization*

Payment Methodology

As we discussed in the April 7, 2000 OPPS final rule (65 FR 18452), partial hospitalization is an intensive outpatient program of psychiatric services provided to patients in the place of inpatient care. A partial hospitalization program (PHP) may be provided by a hospital to its outpatients or by a Medicare-certified community mental health center (CMHC). Payment to providers under the OPPS for PHPs represents the provider's overhead costs associated with the program. Because a day of care is the unit that defines the structure and scheduling of partial hospitalization services, effective for services furnished on or after August 1, 2000, we established a per diem payment methodology for the PHP APC. We analyzed the service components billed by hospitals over the course of a billing period and determined the median hospital cost of furnishing a day of partial hospitalization. We were unable to use CMHC data in computing the per diem because up until April 1, 2000, CMHCs were not required to report HCPCS codes. In addition, section 1833(t)(2)(C) of the Act requires that we establish relative payment weights based on median (or mean, at the election of the Secretary) hospital costs determined by 1996 claims and the most recent available cost report data. This analysis resulted in a per diem payment of $202.19 effective August 1, 2000. This amount was updated effective January 1, 2001 and April 1, 2002 to $206.82 and $212.27.

Although we did not use CMHC data in establishing the initial APC for partial hospitalization (or in the updates made since then), in the April 7, 2000 final rule we made a commitment to analyze future data from hospitals and CMHCs to determine if refinements to the per diem are warranted. Based on our review of 2001 claims data submitted under the OPPS, we have developed a payment rate for partial hospitalization following the same methodology used to establish all the APC payment amounts. However, because a day of care is the unit for PHP services, we computed the median cost of furnishing a day of partial hospitalization. Other than the unit of service being a day of care, the method we used to determine median costs for PHP is no different than that used for all other APCs as described in other sections of this proposed rule. The CY 2003 proposed payment rate for the partial hospitalization APC is $256.96 per day, of which $51.39 is the beneficiary's coinsurance.

We used calendar year 2001 bills from both hospitals and CMHCs. We used data from all the hospital bills reporting condition code 41, which identifies the claim as partial hospitalization. Since section 1866(e)(2) of the Act specifies that a CMHC is a provider of service ''* * * only with respect to the furnishing of partial hospitalization services * * *,'' we used all bills from CMHCs. We used cost-to-charge ratios from the most recently available hospital and CMHC cost reports to develop costs from line item charges reported on bills. Since hospitals and CMHCs are now required to report line item dates of service on claims, we used that data to refine our estimates of line item costs.

We then computed per diem costs by summing the line item costs on each bill and dividing by the number of days on each bill. Using this method of determining costs, preliminary per diem cost estimates for CMHCs were much higher than expected, in many cases more than twice the average per diem for inpatient psychiatric care and more than three times the hospital median PHP per diem cost. The data strongly suggests that the costs were reported incorrectly. We believe that the data are unusable without adjustment.

Closer examination of the CMHC cost report data showed that costs from CMHC finalized cost reports were considerably lower than costs from ''as submitted'' CMHC cost reports. To account for the difference between settled and as-filed cost report data, we computed the ratio of total final costs to total as-filed costs over a 3-year period (FYs 1998–2000) and calculated an average adjustment factor which we applied to the costs on each claim. The adjusted costs were summed, then divided by the number of days on that bill.

Treatment of Professional Services Under PHP

Section 410.43 describes the conditions and exclusions of partial hospitalization services. That section lists the services that are separately covered and not paid as partial hospitalization services. The list includes—

- Physician services that meet the requirements of 42 CFR 415.102(a) for payment on a fee schedule basis;
- Physician assistant services, as defined in section 1861(s)(2)(K)(i) of the Act;
- Nurse practitioner and clinical nurse specialist services, as defined in section 1861(s)(2)(K)(ii) of the Act;
- Qualified psychologist services, as defined in section 1861(ii) of the Act; and
- Services furnished to SNF residents as defined in 42 CFR 411.15(p).

Based on this section, in the April 7, 2000 OPPS rule, we stated that the APC for partial hospitalization represents the provider's overhead costs, support staff, and the services of clinical social workers (CSWs) and occupational therapists (OTs), whose professional services are considered to be partial hospitalization services for which Medicare payment is made to the provider. Before implementation of the OPPS, the services of CSWs and OTs in a PHP were billed by the hospitals to the fiscal intermediaries and paid on a reasonable cost basis.

We have looked carefully at the differences between the cost experiences of CMHCs and of hospitals with respect to PHP services, as well as how payment is made for other hospital outpatient psychiatric services, to identify areas where improvements can be made in OPPS. One of the areas in which we identified discrepancies was in the coverage of CSW services. The way in which CSW services are currently billed and paid depends upon the circumstances under which CSW services are provided. In some settings, payment for CSW services is part of a bundled payment. In other settings, separate payment for CSW services is made.

Generally, CSW services furnished to hospital outpatients are bundled, which means that only the hospital may bill for such services. However, payment for CSW professional services furnished to hospital outpatients is made under the physician fee schedule. Therefore, the hospital outpatient department bills separately the Part B carrier for CSW services furnished to outpatients who are not in a PHP. CSW professional services are paid at 75 percent of the clinical psychologist fee schedule.

However, when CSWs furnish services to hospital outpatients or a CMHC under a partial hospitalization program, hospitals may not bill separately for the services of a CSW. Instead, for coverage and payment purposes, the services are recognized as partial hospitalization services. Partial hospitalization services are billed by hospitals and CMHCs to the fiscal intermediaries and paid the OPPS PHP APC per diem amount.

The different methodologies for payment of CSW services has proven both confusing and burdensome for hospitals because they must implement separate billing schemes for CSW services depending upon whether an

individual outpatient is admitted to a PHP program or to any other hospital outpatient psychiatric program. We believe that these challenges have resulted in incorrect reporting by hospitals which has led to an under-representation of CSW services in the OPPS PHP APC per diem amount.

To facilitate proper billing and to ensure comparable reporting of costs by hospitals and CMHCs, we are proposing to allow separate payment for CSW services furnished in CMHCs. This means that both hospitals and CMHCs will bill the carrier for CSW services furnished to PHP patients. Therefore, we are proposing to amend § 410.43(b) to add clinical social worker services that meet the requirements of section 1861(hh)(2) of the Act to the list of professional services not considered to be PHP services. We believe this change will allow CSW services to be more appropriately reflected in both settings as part of PHPs.

## III. Transitional Pass-Through and Related Payment Issues

### *A. Background*

Section 1833(t)(6) of the Act provides for temporary additional payments or ''transitional pass-through payments'' for certain medical devices, drugs, and biologicals. As originally enacted by the BBRA, this provision required the Secretary to make additional payments to hospitals for current orphan drugs, as designated under section 526 of the Federal Food, Drug, and Cosmetic Act, Pub. L. 107–186; current drugs, biologic agents, and brachytherapy devices used for the treatment of cancer; and current radiopharmaceutical drugs and biological products.

For those drugs, biologicals, and devices referred to as ''current,'' the transitional pass-through payment began on the first date the hospital OPPS was implemented (before enactment of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA), Pub. L. 106–554, enacted December 21, 2000).

Transitional pass-through payments are also required for certain ''new'' medical devices, drugs, and biological agents that were not being paid for as a hospital outpatient service as of December 31, 1996 and whose cost is ''not insignificant'' in relation to the OPPS payment for the procedures or services associated with the new device, drug, or biological. Under the statute, transitional pass-through payments are to be made for at least 2 years but not more than 3 years.

Section 1833(t)(6)(B)(i) of the Act required that we establish by April 1, 2001, initial categories to be used for purposes of determining which medical devices are eligible for transitional pass-through payments. Section 1833(t)(6)(B)(i)(II) of the Act explicitly authorized us to establish initial categories by program memorandum. On March 22, 2001, we issued two Program Memoranda, Transmittals A–01–40 and A–01–41 that established the initial categories. We posted them on our web site at *http://www.hcfa.gov/pubforms/transmit/A0140.pdf* and *http://www.hcfa.gov/pubforms/transmit/A0141.pdf*, respectively.

Transmittal A–01–41 includes a list of the initial device categories and a crosswalk of all the item-specific codes for individual devices that were approved for transitional pass-through payments as of January 21, 2001 to the initial category code by which the device is to be billed beginning April 1, 2001. Items eligible for transitional pass-through payments are generally coded using a Level II HCPCS code with an alpha prefix of ''C.'' Pass-through device categories are identified by status indicator ''H'' and pass-through drugs and biologicals are identified by status indicator ''G.'' Subsequently, we added two additional categories and made clarifications to some of the categories' long descriptors found in transmittal A–01–73. A current list of device category codes in effect as of July 1, 2002 can be found in Transmittal A–02–050, which was issued on June 17, 2002. This Program Memorandum can be accessed on our web site at *http://www.hcfa.gov*. The list is also included in this preamble in Table 7.

Section 1833(t)(6)(B)(ii) of the Act also requires us to establish, through rulemaking, criteria that will be used to create additional device categories. The criteria for new categories are the subject of a separate interim final rule with comment period that we published in the **Federal Register** on November 2, 2001 (66 FR 55850). We will respond to public comments on that interim final rule in the final rule that implements the 2003 OPPS update.

Transitional pass-through categories are for devices only; they do not apply to drugs or biologicals. The regulations at § 419.64 governing transitional pass-through payments for eligible drugs and biologicals are unaffected by the creation of categories.

The process to apply for transitional pass-through payment for eligible drugs and biological agents or for additional device categories can be found on respective pages on our web site at *http://www.hcfa.gov*. If we revise the application instructions in any way, we will post the revisions on our web site and submit the changes for approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA). Notification of new drug, biological, or device category application processes are generally posted on the OPPS web site at *http://www.hcfa.gov/Medicare/hopsmain.html*.

### *B. Discussion of Pro Rata Reduction*

Section 1833(t)(6)(E) of the Act limits the total projected amount of transitional pass-through payments for a given year to an ''applicable percentage'' of projected total payments under the hospital OPPS. For a year before 2004, the applicable percentage is 2.5 percent; for 2004 and subsequent years, we specify the applicable percentage up to 2.0 percent. If we estimate before the beginning of the calendar year that the total amount of pass-through payments in that year would exceed the applicable percentage, section 1833(t)(6)(E)(iii) of the Act requires a (prospective) uniform reduction in the amount of each of the transitional pass-through payments made in that year to ensure that the limit is not exceeded. We make an estimate of pass-through spending to determine not only whether payment exceeds the applicable percentage but also to determine the appropriate reduction to the conversion factor.

We will make an estimate of pass-through spending in 2003 using the methodology described below. Making an estimate of pass-though spending in 2003 entails estimating spending for two groups of items. The first group consists of those items for which we have claims data (that is, items that were eligible in 2001 and that will continue to be eligible in 2003). The second group consists of those items for which we have no direct claims data (that is, items that became or will become eligible in 2002 and will retain pass-through status and items that will be newly eligible beginning in 2003).

To estimate 2003 pass-through spending for device categories in the first group, we will use volume and hospital cost (derived from charges on claims using cost-to-charge ratios) information from 2001 claims data. This information will be projected forward to 2003 levels using appropriate inflation and utilization factors. For existing categories with no claims data in 2001 that are or will be active in 2002, we will follow the method described in the November 2, 2001 final rule (66 FR 55857). We will use price information from manufacturers and volume estimates from claims related to procedures that use the devices in question. This information will be

projected forward to 2003 using appropriate inflation and utilization factors to estimate 2003 pass-through spending for this group of categories. For categories that become eligible in 2003, we will use the same method as described for categories that are newly active in 2002. Any new categories for 2003 will be announced after the publication of this proposed rule but prior to the publication of the final rule. Therefore the estimate of pass-through spending will incorporate pass-through spending for categories made effective January 1, 2003.

To estimate 2003 pass-through spending for drugs, biologicals, and radiopharmaceuticals, in the first group, we will use volume data from 2001 claims and the average wholesale price (AWP) as published in the July 2002 Red Book. This information will be projected forward to 2003 using the appropriate utilization factor. (Because 2003 payment rates for pass-through drugs will be based on the July 2002 AWPs, we do not apply an inflation factor.) The pass-through amount for drugs, biologicals, and radiopharmaceuticals is the difference between the payment rate (that is, 95 percent of the AWP) and the amount that would have been included in the payment rate of its associated APC had the drug, biological, or radiopharmaceutical been packaged. Section V.E. describes this methodology. To estimate pass-through spending for drugs in this group, for each drug we will multiply the drug's estimated utilization times the pass-through amount (for example, the difference between 95 percent of AWP for the drug and the amount included in the payment rate for its associated APC). For most drugs, the pass-through amount will be based on the weighted average ratios described in Section IV.E. However some drugs may fall into two other classes. The first class includes a drug that is new and for which there are no previously existing costs in an associated APC. For such a drug, we propose that the pass-through amount would be 95 percent of the AWP (because there are no previously existing costs in an associated APC) and there will be no copayment (because there are no previously existing costs in an APC on which to base a copayment). The second class includes a drug that is new and is a substitute for only one drug whose cost is recognized in the OPPS through an unpackaged APC. For drugs in this second class, we propose that the pass-through amount would be the difference between 95 percent of the AWP for the pass-through drug and the payment rate for the comparable dose of the associated drug's APC. The copayment would be based on the payment rate of its associated APC.

For existing drugs, biologicals, and radiopharmaceuticals for which we have no claims data in 2001 and which are active or will be active in 2002 as well as for drugs, biologicals, and radiopharmaceuticals, we will derive volume estimates from information submitted by manufacturers as well as other sources (such as, peer-reviewed clinical studies) and the AWP as published in the July 2002 Red Book. This information will be projected forward to 2003 using the appropriate utilization factor. Again, because 2003 payment rates for pass-through drugs will be based on the July 2002 AWP, we do not apply an inflation factor. To estimate pass-through spending for drugs in this group, for each drug we will multiply the drug's estimated utilization times the pass-through amount. For most drugs, these amounts will be based on the weighted average ratios described in Section IV.E. However some drugs may fall into two other classes. The first class includes a drug that is new and has no previously existing costs included in an associated APC. For such a drug, we propose that the pass-through amount would be 95 percent of the AWP (because there are no previously existing costs included in an APC) and there would be no copayment (because there are no previously existing costs in an APC on which to base a copayment). The table below shows two such drugs, Y–90 Zevalin and IN–111 Zevalin. The second class includes a drug that is new and is a substitute for only one drug that is recognized in the OPPS, through an unpackaged APC. The table below shows one such drug, Darbepoetin alfa, which is a new substitute of epoetin. For drugs in this second class, the pass-through amount will be the difference between 95 percent of the AWP for the pass-through drug and the payment rate for the comparable dose of the associated drug's APC. The copayment will be based on the payment rate of its associated APC. For drugs, biologicals, and radiopharmaceuticals that may receive pass-through status effective January 1, 2003, we will use the same methodology as described for drugs, biologicals, and radiopharmaceuticals that received pass-through status in 2002. Any new pass-through drugs, biologicals, and radiopharmaceuticals effective beginning in 2003 will be announced after the publication of this proposed rule but prior to the publication of the final rule. Therefore the estimate of pass-through spending will incorporate pass-through spending for these drugs, biologicals, and radiopharmaceuticals made effective January 1, 2003.

Finally, we will incorporate an estimate of pass-through spending for items that become eligible later in 2003 (that is, April 1, 2003; July 1, 2003; and October 1, 2003) based on estimates for items that will become eligible for pass-through status January 1, 2003. Specifically, we will assume a proportionate amount of spending for items that become eligible later in the year while making an adjustment to account for the fact that items made eligible later in the year will not have received pass-through payments for the entire year.

After using the methodologies described above to determine projected 2003 pass-through spending for the groups of devices, drugs, biologicals, and radiopharmaceuticals described above, we would calculate total projected 2003 pass-through spending as a percentage of the total (that is, Medicare and beneficiary payments) projected payments under OPPS to determine if the pro rata reduction would be required.

Below is a table showing our current estimate of 2003 pass-through spending based on information available at the time this table was developed. We are uncertain whether pass-through spending in 2003 will exceed $457 million or 2.5 percent of total OPPS spending. We have not yet completed the estimate of pass-through spending for a number of drugs. In particular, we are in the process of obtaining additional information about the utilization volume for several pass-through drugs. We invite comments on the methodology described above as well as the assumptions shown in the table below including anticipated utilization and utilization not yet determined. More information regarding the assumptions used to create these estimates is available at *http://cms.hhs.gov/regulations/regnotices.asp.*

TABLE X.

| HCPC | APC | DRUG, biological | 2002 payment rate | 2001 utilization | 2003 Pass-through payment portion | 2003 estimated utilization | 2003 anticipated pass-through payment |
|---|---|---|---|---|---|---|---|
| **Existing Pass-through Drugs/Biologicals** | | | | | | | |
| A9700 | 9016 | Echocardiography Contrast* | $118.75 | 300,000 | $34.44 | 368,686 | $12,696,607.35 |
| C1774 | 734 | Darbepoetin alfa, 1 mcg | 4.74 | 6136252 | 1.37 | 7,541,157 | 10,366,074.10 |
| C1058 | 1058 | TC 99M oxidronate, per vial | 36.74 | 4,000 | 10.65 | 4,916 | 52,375.96 |
| C1064 | 1064 | I–131 cap, each add mCi | 5.86 | 4,575 | 1.88 | 5,622 | 485,208.00 |
| C1065 | 1065 | I–131 sol, each add mCi | 15.81 | 4,575 | 5.06 | 5,622 | 1,309,068.00 |
| C1775 | 1775 | FDG, per dose (4–40 mCi/ml) | 475.00 | 30,000 | 137.75 | 36,869 | 5,078,642.94 |
| J9219 | 7051 | Leuprolide acetate implant | 5,399.80 | 66 | 1,565.94 | 81 | 127,014.83 |
| J9017 | 9012 | Arsenic Trioxide | 23.75 | | 6.89 | TBD | To be determined |
| J7517 | 9015 | Mycophenolate mofetil | 2.40 | | 0.70 | TBD | To be determined |
| J0587 | 9018 | Botulinum toxin type B | 8.79 | | 2.55 | TBD | To be determined |
| C9019 | 9019 | Caspofugen acetate, 5 mg | 34.20 | | 9.92 | TBD | To be determined |
| C9110 | 9110 | Alemtuzumab, per 10mg/ml | 486.88 | | 141.20 | 517 | 72,997.92 |
| C9111 | 9111 | Inj. Bivalrudin, 250 mg vial | 397.81 | | 115.36 | TBD | To be determined |
| C9112 | 9112 | Perflutren lipid micro, 2ml | 148.20 | 300,000 | 42.98 | 368,686 | 15,845,365.98 |
| C9113 | 9113 | Inj Pantoprazole sodium, vial | 22.80 | | 6.61 | TBD | To be determined |
| C9114 | 9114 | Nesiritide, per 1.5 mg vial | 433.20 | | 125.63 | TBD | To be determined |
| C9115 | 9115 | Zoledronic acid, 2 mg | 406.78 | | 117.97 | TBD | To be determined |
| C9200 | 9200 | Orcel, per 36 cm2 | 1,135.25 | | 329.22 | TBD | To be determined |
| C9201 | 9201 | Dermagraft, per 37.5 sq cm | 577.60 | | 167.50 | TBD | To be determined |
| **Pass-through Drugs/Biologicals Effective October 2002** | | | | | | | |
| C9116 | 9116 | Ertapenem sodium | 36.24 | | 10.51 | TBD | To be determined |
| C9117 | 9117 | Y–90 Zevalin | 19,181.44 | | 19,181.44 | 9,000 | 172,632,960.00 |
| C9118 | 9118 | IN–111 Zevalin | 2,769.65 | | 2,769.65 | 9,000 | 24,926,850.00 |
| C9119 | 9119 | Pegfilgrastim | 2,802.50 | | 2,367.13 | 85,258 | 201,815,396.40 |
| **Pass-through Devices** | | | | | | | |
| C1765 | 1754 | Adhesion barrier | | 256 | | 261 | 20,011.00 |
| C1783 | 1783 | Ocular implant, aqueous drainage | | 2000 | | 2042 | 1,327,300.00 |
| C1888 | 1888 | Endovascular, non-cardiac | | 184 | | 188 | 136,300.00 |
| C1900 | 1900 | Lead, left ventricular | | 1000 | | 1021 | 2,042,000.00 |
| C2618 | 2618 | Probe, cryoablation | | 1120 | | 1144 | 531,106.00 |

*C. Expiration of Transitional Pass-Through Payments in Calendar Year 2003*

1. Devices

Section 1833(t)(6)(B)(iii) of the Act requires that a category of devices be eligible for transitional pass-through payments for at least 2, but not more than 3, years. This period begins with the first date on which a transitional pass-through payment is made for any medical device that is described by the category. We propose that 95 device categories currently in effect will expire effective January 1, 2003. Our proposed payment methodology for devices that have been paid by means of pass-through categories, but for which pass-through status will expire effective January 1, 2003, is discussed in the section below.

Although the device category codes became effective on April 1, 2001, many of the item-specific C-codes for pass-through devices that were crosswalked to the new category codes were approved for pass-through payment in CY 2000, or as of January 1, 2001. (The crosswalk for item-specific C-codes to category codes was issued in Transmittals A–01–41 and A–01–97, cited in section III.A.) To establish the expiration date for the category codes listed in Table 7, we determined when item-specific devices that are described by the categories were first made effective for pass-through payment before the implementation of device categories. These dates are listed in Table 7 in the column entitled ''Date First Populated.'' We propose to base the expiration date for a device category on the earliest effective date of pass-through status for any device that populates that category. Thus, the 95 categories for devices that will have been eligible for pass-through payments for at least 2 years as of December 31, 2002 would not be eligible for pass-through payments effective January 1, 2003.

Below is Table 7, which includes a comprehensive list of all pass-through device categories effective on or before July 1, 2002 with the date that devices described by the category first became effective for payment under the pass-through provisions and their respective proposed expiration dates.

TABLE 7.—LIST OF PASS-THROUGH DEVICE CATEGORIES WITH PROPOSED EXPIRATION DATES

| | HCPCS codes | Category long descriptor | Date first populated | Expiration date |
|---|---|---|---|---|
| 1 | C1883 | Adaptor/extension, pacing lead or neurostimulator lead (implantable) | 8/1/00 | 12/31/02 |
| 2 | C1765 | Adhesion barrier | 10/01/00–3/31/01; 7/1/01. | 12/31/03 |
| 3 | C1713 | Anchor/screw for opposing bone-to-bone or soft tissue-to-bone (implantable) | 8/1/00 | 12/31/02 |
| 4 | C1715 | Brachytherapy needle | 8/1/00 | 12/31/02 |
| 5 | C1716 | Brachytherapy seed, Gold 198 | 10/1/00 | 12/31/02 |
| 6 | C1717 | Brachytherapy seed, High Dose Rate Iridium 192 | 1/1/01 | 12/31/02 |
| 7 | C1718 | Brachytherapy seed, Iodine 125 | 8/1/00 | 12/31/02 |
| 8 | C1719 | Brachytherapy seed, Non-High Dose Rate Iridium 192 | 10/1/00 | 12/31/02 |
| 9 | C1720 | Brachytherapy seed, Palladium 103 | 8/1/00 | 12/31/02 |
| 10 | C2616 | Brachytherapy seed, Yttrium-90 | 1/1/01 | 12/31/02 |
| 11 | C1721 | Cardioverter-defibrillator, dual chamber (implantable) | 8/1/00 | 12/31/02 |
| 12 | C1882 | Cardioverter-defibrillator, other than single or dual chamber (implantable) | 8/1/00 | 12/31/02 |
| 13 | C1722 | Cardioverter-defibrillator, single chamber (implantable) | 8/1/00 | 12/31/02 |
| 14 | C1888 | Catheter, ablation, non-cardiac, endovascular (implantable) | 7/1/02 | 12/31/04 |
| 15 | C1726 | Catheter, balloon dilatation, non-vascular | 8/1/00 | 12/31/02 |
| 16 | C1727 | Catheter, balloon tissue dissector, non-vascular (insertable) | 8/1/00 | 12/31/02 |
| 17 | C1728 | Catheter, brachytherapy seed administration | 1/1/01 | 12/31/02 |
| 18 | C1729 | Catheter, drainage | 10/1/00 | 12/31/02 |
| 19 | C1730 | Catheter, electrophysiology, diagnostic, other than 3D mapping (19 or fewer electrodes) | 8/1/00 | 12/31/02 |
| 20 | C1731 | Catheter, electrophysiology, diagnostic, other than 3D mapping (20 or more electrodes) | 8/1/00 | 12/31/02 |
| 21 | C1732 | Catheter, electrophysiology, diagnostic/ablation, 3D or vector mapping | 8/1/00 | 12/31/02 |
| 22 | C1733 | Catheter, electrophysiology, diagnostic/ablation, other than 3D or vector mapping, other than cool-tip. | 8/1/00 | 12/31/02 |
| 23 | C2630 | Catheter, electrophysiology, diagnostic/ablation, other than 3D or vector mapping, cool-tip. | 10/1/00 | 12/31/02 |
| 24 | C1887 | Catheter, guiding (may include infusion/perfusion capability) | 8/1/00 | 12/31/02 |
| 25 | C1750 | Catheter, hemodialysis/peritoneal, long-term | 8/1/00 | 12/31/02 |
| 26 | C1752 | Catheter, hemodialysis/peritoneal, short-term | 8/1/00 | 12/31/02 |
| 27 | C1751 | Catheter, infusion, inserted peripherally, centrally or midline (other than hemodialysis) | 8/1/00 | 12/31/02 |
| 28 | C1759 | Catheter, intracardiac echocardiography | 8/1/00 | 12/31/02 |
| 29 | C1754 | Catheter, intradiscal | 10/1/00 | 12/31/02 |
| 30 | C1755 | Catheter, intraspinal | 8/1/00 | 12/31/02 |
| 31 | C1753 | Catheter, intravascular ultrasound | 8/1/00 | 12/31/02 |
| 32 | C2628 | Catheter, occlusion | 10/1/00 | 12/31/02 |
| 33 | C1756 | Catheter, pacing, transesophageal | 10/1/00 | 12/31/02 |
| 34 | C2627 | Catheter, suprapubic/cystoscopic | 10/1/00 | 12/31/02 |
| 35 | C1757 | Catheter, thrombectomy/embolectomy | 8/1/00 | 12/31/02 |
| 36 | C1885 | Catheter, transluminal angioplasty, laser | 10/1/00 | 12/31/02 |
| 37 | C1725 | Catheter, transluminal angioplasty, non-laser (may include guidance, infusion/perfusion capability). | 8/1/00 | 12/31/02 |
| 38 | C1714 | Catheter, transluminal atherectomy, directional | 8/1/00 | 12/31/02 |
| 39 | C1724 | Catheter, transluminal atherectomy, rotational | 8/1/00 | 12/31/02 |
| 40 | C1758 | Catheter, ureteral | 10/1/00 | 12/31/02 |
| 41 | C1760 | Closure device, vascular (implantable/insertable) | 8/1/00 | 12/31/02 |
| 42 | L8614 | Cochlear implant system | 8/1/00 | 12/31/02 |
| 43 | C1762 | Connective tissue, human (includes fascia lata) | 8/1/00 | 12/31/02 |

TABLE 7.—LIST OF PASS-THROUGH DEVICE CATEGORIES WITH PROPOSED EXPIRATION DATES—Continued

| | HCPCS codes | Category long descriptor | Date first populated | Expiration date |
|---|---|---|---|---|
| 44 | C1763 | Connective tissue, non-human (includes synthetic) | 10/1/00 | 12/31/02 |
| 45 | C1881 | Dialysis access system (implantable) | 8/1/00 | 12/31/02 |
| 46 | C1764 | Event recorder, cardiac (implantable) | 8/1/00 | 12/31/02 |
| 47 | C1767 | Generator, neurostimulator (implantable) | 8/1/00 | 12/31/02 |
| 48 | C1768 | Graft, vascular | 1/1/01 | 12/31/02 |
| 49 | C1769 | Guide wire | 8/1/00 | 12/31/02 |
| 50 | C1770 | Imaging coil, magnetic resonance (insertable) | 1/1/01 | 12/31/02 |
| 51 | C1891 | Infusion pump, non-programmable, permanent (implantable) | 8/1/00 | 12/31/02 |
| 52 | C2626 | Infusion pump, non-programmable, temporary (implantable) | 1/1/01 | 12/31/02 |
| 53 | C1772 | Infusion pump, programmable (implantable) | 10/1/00 | 12/31/02 |
| 54 | C1893 | Introducer/sheath, guiding, intracardiac electrophysiological, fixed-curve, other than peel-away. | 10/1/00 | 12/31/02 |
| 55 | C1766 | Introducer/sheath, guiding, intracardiac electrophysiological, steerable, other than peel-away. | 1/1/01 | 12/31/02 |
| 56 | C1892 | Introducer/sheath, guiding, intracardiac electrophysiological, fixed-curve, peel-away | 1/1/01 | 12/31/02 |
| 57 | C1894 | Introducer/sheath, other than guiding, other than intracardiac electrophysiological, non-laser. | 8/1/00 | 12/31/02 |
| 58 | C2629 | Introducer/sheath, other than guiding, other than intracardiac electrophysiological, laser | 1/1/01 | 12/31/02 |
| 59 | C1776 | Joint device (implantable) | 10/1/00 | 12/31/02 |
| 60 | C1895 | Lead, cardioverter-defibrillator, endocardial dual coil (implantable) | 8/1/00 | 12/31/02 |
| 61 | C1777 | Lead, cardioverter-defibrillator, endocardial single coil (implantable) | 8/1/00 | 12/31/02 |
| 62 | C1896 | Lead, cardioverter-defibrillator, other than endocardial single or dual coil (implantable) | 8/1/00 | 12/31/02 |
| 63 | C1900 | Lead, left ventricular coronary venous system | 7/1/02 | 12/31/04 |
| 64 | C1778 | Lead, neurostimulator (implantable) | 8/1/00 | 12/31/02 |
| 65 | C1897 | Lead, neurostimulator test kit (implantable) | 8/1/00 | 12/31/02 |
| 66 | C1898 | Lead, pacemaker, other than transvenous VDD single pass | 8/1/00 | 12/31/02 |
| 67 | C1779 | Lead, pacemaker, transvenous VDD single pass | 8/1/00 | 12/31/02 |
| 68 | C1899 | Lead, pacemaker/cardioverter-defibrillator combination (implantable) | 1/1/01 | 12/31/02 |
| 69 | C1780 | Lens, intraocular (new technology) | 8/1/00 | 12/31/02 |
| 70 | C1878 | Material for vocal cord medialization, synthetic (implantable) | 10/1/00 | 12/31/02 |
| 71 | C1781 | Mesh (implantable) | 8/1/00 | 12/31/02 |
| 72 | C1782 | Morcellator | 8/1/00 | 12/31/02 |
| 73 | C1784 | Ocular device, intraoperative, detached retina | 1/1/01 | 12/31/02 |
| 74 | C1783 | Ocular implant, aqueous drainage assist device | 7/1/02 | 12/31/04 |
| 75 | C2619 | Pacemaker, dual chamber, non rate-responsive (implantable) | 8/1/00 | 12/31/02 |
| 76 | C1785 | Pacemaker, dual chamber, rate-responsive (implantable) | 8/1/00 | 12/31/02 |
| 77 | C2621 | Pacemaker, other than single or dual chamber (implantable) | 1/1/01 | 12/31/02 |
| 78 | C2620 | Pacemaker, single chamber, non rate-responsive (implantable) | 8/1/00 | 12/31/02 |
| 79 | C1786 | Pacemaker, single chamber, rate-responsive (implantable) | 8/1/00 | 12/31/02 |
| 80 | C1787 | Patient programmer, neurostimulator | 8/1/00 | 12/31/02 |
| 81 | C1788 | Port, indwelling (implantable) | 8/1/00 | 12/31/02 |
| 82 | C2618 | Probe, cryoablation | 4/1/01 | 12/31/03 |
| 83 | C1789 | Prosthesis, breast (implantable) | 10/1/00 | 12/31/02 |
| 84 | C1813 | Prosthesis, penile, inflatable | 8/1/00 | 12/31/02 |
| 85 | C2622 | Prosthesis, penile, non-inflatable | 10/1/01 | 12/31/02 |
| 86 | C1815 | Prosthesis, urinary sphincter (implantable) | 10/1/00 | 12/31/02 |
| 87 | C1816 | Receiver and/or transmitter, neurostimulator (implantable) | 8/1/00 | 12/31/02 |
| 88 | C1771 | Repair device, urinary, incontinence, with sling graft | 10/1/00 | 12/31/02 |
| 89 | C2631 | Repair device, urinary, incontinence, without sling graft | 8/1/00 | 12/31/02 |
| 90 | C1773 | Retrieval device, insertable | 1/1/01 | 12/31/02 |
| 91 | C2615 | Sealant, pulmonary, liquid (Implantable) | 1/1/01 | 12/31/02 |
| 92 | C1817 | Septal defect implant system, intracardiac | 8/1/00 | 12/31/02 |
| 93 | C1874 | Stent, coated/covered, with delivery system | 8/1/00 | 12/31/02 |
| 94 | C1875 | Stent, coated/covered, without delivery system | 8/1/00 | 12/31/02 |
| 95 | C2625 | Stent, non-coronary, temporary, with delivery system | 10/1/00 | 12/31/02 |
| 96 | C2617 | Stent, non-coronary, temporary, without delivery system | 10/1/00 | 12/31/02 |
| 97 | C1876 | Stent, non-coated/non-covered, with delivery system | 8/1/00 | 12/31/02 |
| 98 | C1877 | Stent, non-coated/non-covered, without delivery system | 8/1/00 | 12/31/02 |
| 99 | C1879 | Tissue marker (implantable) | 8/1/00 | 12/31/02 |
| 100 | C1880 | Vena cava filter | 1/1/01 | 12/31/02 |

We considered a number of options on how to pay for devices after their pass-through payment status expires effective January 1, 2003. We held a Town Hall Meeting on April 5, 2002, to solicit recommendations on how to pay for drugs, biologicals, and devices once their eligibility for transitional pass-through payments expires in accordance with the time limits set by the statute. Interested parties representing hospitals, physician specialty groups, device and drug manufacturers and trade associations, and other organizations presented their views on these issues.

We have carefully considered all the comments, concerns, and recommendations submitted to us regarding payment for devices and drugs and biologicals that would no

longer be eligible for pass-through payments in 2003. One consideration under the OPPS is the need to enable beneficiary access to new, and often costly, medical technology. We have also had to assess the extent to which the most recently available data that are the basis for prospectively setting payment rates for services within the APC system adequately reflect the costs incurred by hospitals to furnish this new technology. Having considered these factors, we propose to package the costs of medical devices no longer eligible for pass-through payment in 2003 into the costs of the procedures with which the devices were billed in 2001. (Our proposal to pay for pass-through drugs and biologicals whose pass-through status expires in 2003 is discussed below, in section III.C.2.)

The methodology that we propose to use to package pass-through device costs is consistent with the methodology for packaging that we describe in section II.B.4.b. That is, to calculate the total cost for a service on a per-service basis, we included all charges billed with the service in a revenue center in addition to packaged HCPCS codes with status indicator ''N.'' We also packaged the 2001 charges for devices that will cease to be eligible for pass-through payment in 2003 into the changes for the HCPCS codes with which the devices were billed. We relied on the hospitals to correctly code their bills for all costs, including pass-through devices, using HCPCS codes and revenue centers as appropriate to describe the services that they furnished.

We discuss in section II.B.4.a.(2), issues related to coding and billing for pass-through devices in 2001 and how our analysis of the claims data suggests that in some instances charges for devices were billed in revenue centers and in other instances with a device-specific or device category ''C'' code. We did not want to lose the device costs billed by hospitals through revenue centers in developing our relative weights for APCs, yet we were unable to separate the device costs from other costs included in the revenue centers. This problem is resolved by our proposal to package the costs of both the device ''C'' codes and the billed revenue centers, whichever appears on the claim. We are confident that this method will allow us to capture all device related costs billed by hospitals.

We customarily allow a grace period for HCPCS codes that are scheduled for deletion. When we allow a grace period for deleted codes, we permit deleted codes to continue to be billed and paid for 90 days after the effective date of the changes that require their deletion. However, we propose to not allow a grace period for expiring pass-through codes because permitting a grace period would result in pass-through payment for the items for which we propose to cease pass-through payment effective with services furnished on or after January 1, 2003. Effective for services furnished on or after January 1, 2003, hospitals would submit charges for all surgically inserted devices in the supply, implant, or device revenue center that most appropriately describes the implant. Device costs will thus be packaged into and reflected in the costs for the procedure with which they are associated. Therefore, effective for services furnished on or after January 1, 2003, we propose to reject line items containing a ''C'' code for a device category scheduled to expire effective January 1, 2003.

2. Drugs and Biologicals (Including Radiopharmaceuticals, Blood, and Blood Products)

Under the OPPS, we currently pay for drugs and biologicals, including radiopharmaceuticals, blood, and blood products, in one of three ways: packaged payment, separate APCs and transitional pass-through payment.

Packaged Payment

As we explained in the April 7, 2000 final rule, we generally package the cost of drugs and biologicals into the APC payment rate for the primary procedure or treatment with which the drugs are usually furnished (65 FR 18450). Hospitals do not receive separate payment from Medicare for packaged items and supplies, and hospitals may not bill beneficiaries separately for any such packaged items and supplies whose costs are recognized and paid for within the national OPPS payment rate for the associated procedure or service. (Transmittal A–01–133, a Program Memorandum issued to Intermediaries on November 20, 2001, explains in greater detail the rules regarding separate payment for packaged services). Hospitals bill for costs directly related and integral to performing a procedure or furnishing a service using a revenue center or packaged HCPCS code (status indicator ''N''). As discussed earlier in section II.B.4.a(2), we list the packaged services, by revenue center, that we use to calculate per-service costs.

As specified in the regulations at § 419.2(b), costs directly related and integral to performing a procedure or furnishing a service on an outpatient basis are included in the determination of OPPS payment rates for the procedure or service. For example, sedatives administered to patients while they are in the preoperative area being prepared for a procedure are supplies that are integral to being able to perform the procedure. Similarly, mydriatic drops instilled into the eye to dilate the pupils, anti-inflammatory drops, antibiotic ointments, and ocular hypotensives that are administered to the patient immediately before, during, or following an ophthalmic procedure are considered an integral part of the procedure without which the procedure could not be performed. The costs of these items are packaged into and reflected within the OPPS payment rate for the procedure. Likewise, barium or low osmolar contrast media are supplies that are integral to a diagnostic imaging procedure as is the topical solution used with photodynamic therapy furnished at the hospital to treat non-hyperkeratotic actinic keratosis lesions of the face or scalp. Local anesthetics such as marcaine, lidocaine (with or without epinephrine) and antibiotic ointments such as bacitracin, placed on a wound or surgical incision at the completion of a procedure, are other examples. The hospital furnishes these items while the patient is in the hospital and registered as an outpatient for the purpose of receiving a therapy, treatment, procedure, or service. These and other such supplies may be furnished pre-operatively, while the patient is being prepared for a procedure; intra-operatively, while the procedure is being performed; or post-operatively, while the patient is in the recovery area prior to discharge. Or, these items may be part of an E/M service furnished during a clinic visit or in the emergency department. All of these supplies are directly related and integral to the performance of a separately payable therapy, treatment, procedure, or service with which they are furnished. Therefore, we do not generally recognize them as separately payable services. We package their cost into the cost of the primary procedure, and we pay for them as part of the APC payment.

Separate APCs for Drugs Not Eligible for Transitional Pass-Through Payment

There are certain new technology drugs and biologicals that are not eligible for transitional pass-through payments but for which we have made separate payment. Beginning with the April 7, 2000 rule (65 FR 18476), we created separate new technology APCs for these drugs and biologicals as well as devices. For example, we did not package into the emergency room visit APCs the various drugs classified as tissue plasminogen activators (TPAs)

and other thrombolytic agents that are used to treat patients with myocardial infarctions. We also did not package the costs of certain vaccines into the payment for visits or procedures. Rather, we created temporary individual APC groups for these drugs to allow separate payment so as not to discourage their use where appropriate. In the case of blood and blood products, wide variations in patient requirements convinced us that we should pay for these items separately rather than packaging their costs into the procedural APCs. Moreover, the Secretary's Advisory Council on Blood Safety and Access recommended that blood and blood products be paid separately to ensure that there were no incentives that would be inconsistent with the promotion of blood safety and access.

In the case of the other drugs and vaccines that we did not package into payment for visits or procedures, we paid separately for them because we wanted to avoid creating an incentive to cease providing these drugs when they were medically indicated.

We based the payment rate for the APCs for these drugs and biologicals on median hospital acquisition costs. To determine the hospital acquisition cost for the drugs, we imputed a cost using the same ratios of drug acquisition cost to AWP that we discuss below in connection with calculating acquisition costs for transitional pass-through drug payments. That is, we multiplied the AWP for the drug by the applicable ratio (sole or multisource drug) based on data collected in an external survey of hospital drug acquisition costs.

We set beneficiary copayment amounts for these drug and biological APCs at 20 percent of the imputed acquisition cost. In 2003 we will use status indicator ''K'' to denote the APCs for drugs and biologicals (including blood and blood products) and certain brachytherapy seeds that are paid separately from and in addition to the procedure or treatment with which they are associated but that are not eligible for transitional pass-through payment.

Transitional Pass-Through Payments for Eligible Drugs and Biologicals

BBRA provided for special transitional pass-through payments for a period of 2 to 3 years for the following drugs and biologicals (pass-through payments for devices are addressed in section III.C.1 of this proposed rule):

- Current orphan drugs, as designated under section 526 of the Federal Food, Drug, and Cosmetic Act.
- Current drugs and biologic agents used for treatment of cancer.
- Current radiopharmaceutical drugs and biological products.
- New drugs and biological agents.

In this context, ''current'' refers to those items for which hospital outpatient payment was being made on August 1, 2000, the date on which the OPPS was implemented. A ''new'' drug or biological is a product that is not paid under the OPPS as a ''current'' drug or biological, was not paid as a hospital outpatient service before January 1, 1997, and for which the cost is not insignificant in relation to the payment for the APC with which it is associated.

Section 1833(t)(6)(D)(i) of the Act sets the payment rate for pass-through eligible drugs as the amount by which the amount determined under section 1842(o) of the Act, that is, 95 percent of the applicable average wholesale price (AWP), exceeds the difference between 95 percent of the applicable AWP and the portion of the otherwise applicable fee schedule amount (that is, the APC payment rate) that the Secretary determines is associated with the drug or biological. Therefore, in order to determine the pass-through payment amount, we first had to determine the cost that was packaged for the drug or biological within its related APC. In order to determine this amount, we used data on hospital acquisition costs for drugs from a survey that is described more fully in the April 7, 2000 and the November 30, 2001 final rules. The ratio of hospital acquisition cost, on average, to AWP that we used is as follows:

- For sole-source drugs, the ratio of acquisition cost to AWP equals 0.68.
- For multisource drugs, the ratio of acquisition cost to AWP equals 0.61.
- For multisource drugs with generic competitors, the ratio of acquisition cost to AWP equals 0.43.

Section 1833(t)(6)(C)(i) of the Act specifies that the duration of transitional pass-through payments for current drugs and biologicals must be no less than 2 years nor any longer than 3 years beginning on the date that the OPPS is implemented. Therefore, the latest date for which current drugs that have been in transitional pass-through status since August 1, 2000 will be eligible for transitional pass-through payments is July 31, 2003. We propose to remove these drugs from transitional pass-through status effective January 1, 2003 because the law gives us the discretion to do so and because we generally implement annual OPPS updates on January 1 of each year. We would be in violation of the law if we were to not remove these drugs and biologicals from transitional pass through status before August 2, 2003. The next new OPPS that will go into place will not be effective until January 1, 2004, at which time, the statute's 3-year limit on pass-through payments for these drugs would have been exceeded. We further propose to remove from transitional pass-through status, beginning January 1, 2003, those drugs for which transitional pass-through payments were made effective on or prior to January 1, 2001 because the law gives us the discretion to do so and we believe that, to the extent possible, payments should be made under the OPPS, without pass-through payment, when the law permits, as it does in this case.

As explained above, our policy has been to package payment for drugs and biologicals into the payment for the procedure or service to which the drug is integral and directly related. In general, packaging the costs of items and services into the payment for the primary procedure or service with which it is associated encourages hospital efficiencies and also enables hospitals to manage their resources with maximum flexibility. Packaging costs into a single aggregate payment for a service procedure or episode of care is a fundamental principle that distinguishes a prospective payment system from a fee schedule. Our proposal to package the costs of devices that we discuss in section III.C.1 of this preamble is based on this principle. As we refine the OPPS in the future, we intend to continue to package, to the maximum possible extent, the costs of any items and services that are furnished with an outpatient procedure or service into the APC payment for services with which it is billed.

Notwithstanding our commitment to package as many costs as possible, we are aware of concerns that were presented at the April 5, 2002 Town Hall meeting and that have been brought to our attention by various interested parties, that packaging payments for certain drugs, especially those that are particularly expensive or rarely used, might result in insufficient payments to hospitals, which could adversely affect beneficiary access to medically necessary services.

The options that we considered included packaging the costs of all drugs and biologicals, both those with status indicator ''K'' in 2002 and those that would no longer receive pass-through payments in 2003, or continuing to make separate payment for both categories of drugs and biologicals through separate APCs. After careful consideration of the various options for 2003, we propose to package the cost of many drugs for which separate payment is made currently. But

we also propose to continue making separate payment for orphan drugs (as defined below), blood and blood products, vaccines that are paid under a benefit separate from the outpatient hospital benefit (that is, influenza, pneumococcal pneumonia, and hepatitis B), and certain higher cost drugs as explained below. The payment rates for those drugs for which we would make separate payment in 2003 would be an APC payment rate based on a relative weight calculated in the same way that relative weights for procedural APCs are calculated.

Orphan Drugs

We recognize that orphan drugs that are used solely for an orphan condition or conditions are generally expensive and, by definition, are rarely used. We believe that if the cost of these drugs were packaged into the payment for an associated procedure or visit, the payment for the procedure might be insufficient to compensate a hospital for the typically high cost of this special type of drug. Therefore, we propose to establish separate APCs to pay for those orphan drugs that are used solely for orphan conditions.

To identify the orphan drugs for which we would continue to make separate payment, we applied the following criteria:

- The drug must be designated as an orphan drug by FDA and approved by FDA for the orphan condition.
- The current United States Pharmacopoeia Drug Information (USPDI) shows that the drug had neither an approved use for other than an orphan condition nor an off label use for conditions other than the orphan condition. There are three orphan drugs that are used solely for orphan conditions for which we propose to make separate payment: J0205 Alglucerase injection (APC 0900); J0256 Alpha 1 proteinase inhibitor (APC 0901); and J09300 Gemtuzumab ozogamicin (APC 9004).

Blood and Blood Products

From the onset of the OPPS, we have made separate payment for blood and blood products either in APCs with status indicator ''K'' or as pass-through drugs and biologicals with status indicator ''G'' rather than packaging them into payment for the procedures with which they were administered. As we explained in the April 7, 2000 final rule (65 FR 18449), the high degree of variability in blood use among patients could result in payment inequities if the costs of blood and blood products were packaged with their administration. We also want to ensure that costs associated with blood safety testing are fully recognized. The safety of the nation's blood supply continues to be among the highest priorities of the Secretary's council on Blood Safety and Access. Therefore, we propose to continue to pay separately for blood and blood products.

Vaccines Covered Under a Benefit Other Than OPPS

Outpatient hospital departments administer large numbers of the vaccines for influenza (flu), pneumococcal pneumonia (PPV), and hepatitis B, typically by participating in immunization programs encouraged by the Secretary because these vaccinations greatly reduce death and illness in vulnerable populations. In recent years, the availability and cost of the vaccines (particularly the flu vaccine) have varied considerably. We want to avoid creating any disincentives to provide these important preventative services that might result from packaging their costs into those of primary procedures, visits, or administration codes. Therefore, we propose to pay for these vaccines under OPPS through the establishment of separate APCs.

Higher Cost Drugs

While our preferred policy is to package the cost of drugs and other items into the cost of the procedures with which they are associated, we are concerned that beneficiary access to care may be affected by packaging certain higher cost drugs. For this reason, we propose to allow payment under separate APCs for high cost drugs for an additional year while we further study various payment options. Specifically, we propose to pay separately for drugs for which the median cost per line (cost per unit multiplied by the number of units billed on the claim) exceeded $150, as determined below.

To establish a reasonable threshold for determining which drugs we would pay under separate APCs rather than through packaging, we calculated the median cost per unit using 2001 claims data for each of the drugs for which transitional pass-through payment ceases January 1, 2003 and for those additional drugs that we have paid separately (status indicator ''K'') since the outset of OPPS. We excluded from these calculations the orphan drugs, vaccines, and blood and blood products discussed above. The unit median represents the cost per single unit dose of the drug as described by its HCPCS code. Because many drugs are used and billed in multiple unit doses, we then multiplied the median cost per unit for the drug by the average number of units that were billed per line. The average number of units per drug equals the total units divided by the total number of times the drug was billed. This calculation gave us an approximate median cost per line for the drug. We viewed this as being the approximate cost per administration because we believed that a single administration of a drug was billed as a single line item on a claim and that the correct number of units was placed in the ''units'' field of the claim form. We then arrayed the median cost per line in ascending order and examined the distribution. A natural break occurs at $150 per line, the midpoint of a $10 span between the drug immediately above and below the $150 point. Within the array, approximately 61 percent of the drugs fall below the $150 point and 39 percent of the array are above the point. Among the drugs that we propose to package are some radiopharmaceuticals, vaccines, anesthetics, and anticancer agents. After including the costs of packaged drugs in the services with which they were provided, we noted that the median costs of those services increased. For example, based on 2001 data, APC 117, Chemotherapy Administration by Infusion Only, showed a median cost before packaging of $129.53 and showed a median cost after packaging of $210.36. Similarly, APC 118, Chemotherapy administration by both infusion and another technique, showed a median cost before packaging of $136.00 and a median cost after packaging of $309.65. We believe that this appropriately represents the cost of packaged drugs on a per administration basis. However, in particular, we solicit comments that address specific alternative protocols we might use when several packaged drugs whose total cost significantly exceeds the applicable APC payment amount may be administered to a patient on the same day (for example, multiple agent cancer chemotherapy).

We request comments on the factors we considered in determining which drugs to package in 2003. We are particularly interested in comments with respect to the exclusion of high cost drugs from packaging. We are continuing to analyze the effect of our drug packaging proposal to assess whether the $150 threshold should be adjusted to avoid significant overpayments or underpayments for the base APCs relative to the median costs of the individual drugs packaged into the APCs. Depending on this analysis, we may revise our threshold or criteria for packaging in the final rule for 2003.

We expect to further consider each of these exclusions for packaging when we develop our proposals for the 2004 OPPS.

Although we expect to expand packaging of drugs to package payment for more drugs into the APC for the services with which they are billed, we are, nonetheless, requesting comments on alternatives to packaging. One example of an alternative approach is to use different criteria from those we propose in this proposed rule to identify the drugs to package into procedure APCs and the drugs to pay separately. We could package all drugs for which the median cost was less than $500 or alternatively package drugs for which the median cost was less than $100. Another alternative approach would be to create APCs for groups of drugs based on their costs. Under such an approach we could group drugs with costs between $0 and $100 and pay at the mid-point—$50. The next group could consist of drugs with a median cost between $100 and $250 and pay at the mid-point—$175. This approach would be similar to that employed for new technology services. Another approach would be to create separate APCs for each drug. Under this approach we would create a separate APC for each drug (regardless of its median cost) and use its relative weight to calculate a payment rate for the drug. We welcome a full discussion of the alternatives as we determine the best way to ensure that hospitals are paid appropriately for the drugs they administer to the Medicare beneficiaries whom they treat in their outpatient departments.

Table 8 lists drugs and biologicals for which separate payment is currently being made in 2002 with either status indicator ''K'' or ''G'' and whose costs we propose to package in 2003. Drugs that we propose to pay for separately in 2003 are designated in Addendum B by status indicator ''K'' or ''G.''.

TABLE 8.—DRUGS AND BIOLOGICALS SEPARATELY PAYABLE IN CY 2002

| HCPCS | Short description |
|---|---|
| 90296 | Diphtheria antitoxin |
| 90375 | Rabies ig, im/sc |
| 90376 | Rabies ig, heat treated |
| 90378 | Rsv ig, im, 50mg |
| 90379 | Rsv ig, iv |
| 90385 | Rh ig, minidose, im |
| 90389 | Tetanus ig, im |
| 90393 | Vaccina ig, im |
| 90396 | Varicella-zoster ig, im |
| 90471 | Immunization admin |
| 90476 | Adenovirus vaccine, type 4 |
| 90477 | Adenovirus vaccine, type 7 |
| 90585 | Bcg vaccine, percut |
| 90586 | Bcg vaccine, intravesical |
| 90632 | Hep a vaccine, adult im |
| 90633 | Hep a vacc, ped/adol, 2 dose |
| 90634 | Hep a vacc, ped/adol, 3 dose |
| 90645 | Hib vaccine, hboc, im |
| 90646 | Hib vaccine, prp-d, im |
| 90647 | Hib vaccine, prp-omp, im |
| 90648 | Hib vaccine, prp-t, im |
| 90665 | Lyme disease vaccine, im |
| 90675 | Rabies vaccine, im |
| 90676 | Rabies vaccine, id |
| 90680 | Rotovirus vaccine, oral |
| 90690 | Typhoid vaccine, oral |
| 90691 | Typhoid vaccine, im |
| 90692 | Typhoid vaccine, h-p, sc/id |
| 90700 | Dtap vaccine, im |
| 90701 | Dtp vaccine, im |
| 90702 | Dt vaccine < 7, im |
| 90703 | Tetanus vaccine, im |
| 90704 | Mumps vaccine, sc |
| 90705 | Measles vaccine, sc |
| 90706 | Rubella vaccine, sc |
| 90707 | Mmr vaccine, sc |
| 90708 | Measles-rubella vaccine, sc |
| 90710 | Mmrv vaccine, sc |
| 90712 | Oral poliovirus vaccine |
| 90713 | Poliovirus, ipv, sc |
| 90716 | Chicken pox vaccine, sc |
| 90717 | Yellow fever vaccine, sc |
| 90718 | Td vaccine > 7, im |
| 90719 | Diphtheria vaccine, im |
| 90720 | Dtp/hib vaccine, im |
| 90721 | Dtap/hib vaccine, im |
| 90725 | Cholera vaccine, injectable |
| 90727 | Plague vaccine, im |
| 90733 | Meningococcal vaccine, sc |
| 90735 | Encephalitis vaccine, sc |
| 90749 | Vaccine toxoid |
| A4642 | Satumomab pendetide per dose |

TABLE 8.—DRUGS AND BIOLOGICALS SEPARATELY PAYABLE IN CY 2002—Continued

| HCPCS | Short description |
|---|---|
| A9500 | Technetium TC 99m sestamibi |
| A9502 | Technetium TC99M tetrofosmin |
| A9503 | Technetium TC 99m medronate |
| A9504 | Technetium tc 99m apcitide |
| A9505 | Thallous chloride TL 201/mci |
| A9508 | Iobenguane sulfate I–131 |
| A9510 | Technetium TC99m Disofenin |
| A9700 | Echocardiography Contrast |
| C1066 | IN 111 satumomab pendetide |
| C1079 | CO 57/58 per 0.5 uCi |
| C1087 | I–123 per 100 uCi |
| C1094 | TC99Malbumin aggr, per 1.0 mCi |
| C1097 | TC 99M MEBROFENIN, PER Vial |
| C1098 | TC 99M PENTETATE, PER Vial |
| C1099 | TC 99M PYROPHOSPHATE, PER Via |
| C1166 | CYTARABINE LIPOSOMAL, 10 mg |
| C1188 | I–131 cap, per 1–5 mCi |
| C1200 | TC 99M Sodium Glucoheptonat |
| C1201 | TC 99M SUCCIMER, PER Vial |
| C1202 | TC 99M SULFUR COLLOID, Vial |
| J2020 | Linezolid inj, 200mg |
| J7525 | Tacrolimus inj, per 5 mg |
| C9007 | Baclofen Intrathecal kit-1am |
| C9008 | Baclofen Refill Kit-500mcg |
| J0706 | Caffeine Citrate, inj, 1ml |
| C9100 | Iodinated I–131 Albumin |
| C9102 | 51 Na Chromate, 50 mCi |
| C9103 | Na Iothalamate I–125, 10 uCi |
| J0150 | Injection adenosine 6 MG |
| J0350 | Injection anistreplase 30 u |
| J0640 | Leucovorin calcium injection |
| J0706 | Caffeine Citrate, inj, per 5 mg |
| J1245 | Dipyridamole injection |
| J1260 | Dolasetron mesylate |
| J1325 | Epoprostenol injection |
| J1327 | Eptifibatide injection |
| J1436 | Etidronate disodium inj |
| J1438 | Etanercept injection |
| J1565 | RSV-ivig |
| J1570 | Ganciclovir sodium injection |
| J1620 | Gonadorelin hydroch/ 100 mcg |
| J1626 | Granisetron HCl injection |
| J1670 | Tetanus immune globulin inj |
| J1830 | Interferon beta-1b / .25 MG |
| J2260 | Inj milrinone lactate / 5 ML |
| J2275 | Morphine sulfate injection |
| J2405 | Ondansetron hcl injection |
| J2765 | Metoclopramide hcl injection |
| J2770 | Quinupristin/dalfopristin |
| J2820 | Sargramostim injection |
| J2995 | Inj streptokinase /250000 IU |
| J2997 | Alteplase recombinant |
| J3010 | Fentanyl citrate injeciton |
| J3280 | Thiethylperazine maleate inj |
| J3365 | Urokinase 250,000 IU inj |
| J7310 | Ganciclovir long act implant |
| J7316 | Sodium hyaluronate injection, per 5 mg |
| J7500 | Azathioprine oral 50 mg |
| J7501 | Azathioprine parenteral |
| J7506 | Prednisone oral |
| J7516 | Cyclosporin parenteral 250 mg |
| J8510 | Oral busulfan |
| J8530 | Cyclophosphamide oral 25 MG |
| J8600 | Melphalan oral 2 MG |
| J8610 | Methotrexate oral 2.5 MG |
| J9000 | Doxorubic hcl 10 MG vl chemo |
| J9020 | Asparaginase injection |
| J9031 | Bcg live intravesical vac |
| J9050 | Carmus bischl nitro inj |
| J9070 | Cyclophosphamide 100 MG inj |
| J9093 | Cyclophosphamide lyophilized |
| J9100 | Cytarabine hcl 100 MG inj |

TABLE 8.—DRUGS AND BIOLOGICALS SEPARATELY PAYABLE IN CY 2002—Continued

| HCPCS | Short description |
|---|---|
| J9120 | Dactinomycin actinomycin d |
| J9130 | Dacarbazine 10 MG inj |
| J9181 | Etoposide 10 MG inj |
| J9190 | Fluorouracil injection |
| J9212 | Interferon alfacon-1 |
| J9213 | Interferon alfa-2a inj |
| J9214 | Interferon alfa-2b inj |
| J9215 | Interferon alfa-n3 inj |
| J9230 | Mechlorethamine hcl inj |
| J9250 | Methotrexate sodium inj |
| J9270 | Plicamycin (mithramycin) inj |
| J9320 | Streptozocin injection |
| J9340 | Thiotepa injection |
| J9360 | Vinblastine sulfate inj |
| J9370 | Vincristine sulfate 1 MG inj |
| Q0163 | Diphenhydramine HCl 50 mg |
| Q0164 | Prochlorperazine maleate 5 mg |
| Q0166 | Granisetron HCl 1 mg oral |
| Q0167 | Dronabinol 2.5 mg oral |
| Q0169 | Promethazine HCl 12.5 mg oral |
| Q0171 | Chlorpromazine HCl 10 mg oral |
| Q0173 | Trimethobenzamide HCl 250 mg |
| Q0174 | Thiethylperazine maleate 10 mg |
| Q0175 | Perphenazine 4 mg oral |
| Q0177 | Hydroxyzine pamoate 25 mg |
| Q0179 | Ondansetron HCl 8 mg oral |
| Q0180 | Dolasetron mesylate oral |
| Q2002 | Elliotts b solution per ml |
| Q2003 | Aprotinin, 10,000 kiu |
| Q2004 | Bladder calculi irrig sol |
| Q2007 | Ethanolamine oleate 100 mg |
| Q2008 | Fomepizole, 15 mg |
| Q2009 | Fosphenytoin, 50 mg |
| Q2010 | Glatiramer acetate, per dose |
| Q2013 | Pentastarch 10% solution |
| Q2014 | Sermorelin acetate, 0.5 mg |
| J2940 | Somatrem injection |
| Q2018 | Urofollitropin, 75 iu |
| Q2021 | Lepirudin |
| Q3002 | Gallium ga 67 |
| Q3004 | Xenon xe 133 |
| Q3005 | Technetium tc99m mertiatide |
| Q3006 | Technetium tc99m glucepatate |
| Q3007 | Sodium phosphate p32 |
| Q3009 | Technetium tc99m oxidronate |
| Q3010 | Technetium tc99m labeledrbcs |

3. Brachytherapy

Section 1833(t)(6) of the Act requires us to establish transitional pass-through payments for devices of brachytherapy. As of August 1, 2000, we established item-specific device codes including codes for brachytherapy seeds, needles, and catheters. Effective April 1, 2001, we established category codes for brachytherapy seeds on a per seed basis (one for each isotope), brachytherapy needles on a per needle basis, and brachytherapy catheters on a per catheter basis. Because initial payment was made for a device in each of these categories in August 2000, we propose that these categories (and the transitional pass-through payments) will be discontinued as of January 1, 2003. Furthermore, as discussed above, we propose that there will be no grace period for billing these category codes.

We received comments, both in writing and at the April 2002 Town Hall meeting, recommending that we continue to make separate payment for brachytherapy seeds. The basis for this recommendation is that the number of brachytherapy seeds implanted per procedure is variable. These commenters stated that the number and type of seeds implanted in a given patient depends on the type of tumor, its size, extent, and biology, and the amount of radioactivity contained in each seed. For example, a given type of cancer may be treated by implanting seeds of different isotopes (for example, iodine or palladium) depending on its biological characteristics. Further, depending on the size of the tumor, the number of implanted seeds that may be required to effectively treat the cancer is quite variable (for example, from 25 to 100 seeds). In addition, implantable seeds may be manufactured with different amounts of radioactivity, and it may be preferable to implant fewer seeds with higher activity in some cases while in other cases it may be preferable to implant a larger number of seeds with lower activity. To further complicate the matter, the HCPCS codes used to report implantation of brachytherapy seeds are not tumor-specific. Instead, they are defined based on the number of sources, that is, the number of seeds or ribbons used in the procedure. This means that the treatment of many different tumors requiring implantation of widely

varying numbers of seeds is described by a single HCPCS code. Therefore, it has been argued that given the costs of seeds and the variety of treatments described by a single HCPCS code, the cost of brachytherapy billed under a single HCPCS code could vary by as much as $3,000.

In determining whether to package seeds into their associated procedures, we considered all these factors as well as our claims data. Consistent with our proposed policy for other device costs and the cost of many drugs, as well as with the principles of a prospective payment system, our preferred policy is to package the cost of brachytherapy devices into their associated procedures. For 2003, in the case of remote afterloading high intensity brachytherapy and prostate brachytherapy, which we discuss below, we propose to package the costs into payment for the procedures with which they are billed.

For other uses of brachytherapy, we propose to defer packaging of brachytherapy seeds for at least 1 year. In those cases, when paying separately in 2003 for brachytherapy seeds, we propose to continue payment on a per seed basis. The payment amount would be based on the median cost of brachytherapy seeds, per seed, as determined from our claims data.

We solicit comments on methodologies we might use to package all brachytherapy seeds beginning in CY 2004. For example, creation of tumor-specific brachytherapy HCPCS codes would reduce the variability in seed implantation costs associated with the current HCPCS codes used for seed implantation.

As stated above, beginning January 1, 2003, we propose to package payment for brachytherapy seeds into the payment for the following two types of brachytherapy services:

Remote Afterloading High Intensity Brachytherapy.

Participants in the April 5, 2002 Town Hall meeting expressed concern about packaging single use brachytherapy seeds into payment for procedures.

Remote afterloading high intensity brachytherapy treatment does not involve implantation of seeds. Instead, it utilizes a single radioactive ''source'' of high dose iridium with a 90-day life span. This single source is purchased and used multiple times in multiple patients over its life. One or more temporary catheters are inserted into the area requiring treatment, and the radioactive source is briefly inserted into each catheter and then removed. Because the source never comes in direct contact with the patient, it may be used for multiple patients. We note that the cost of the radioactive source, per procedure, is the same irrespective of how many catheters are inserted into the patient. Further, because the number of treatments administered with a single source over a 90-day period may vary and because the cost of the source is fixed, it is difficult if not impossible to determine a per ''treatment'' cost for the source. Moreover, we believe that the costs of this type of source should be amortized over the life of the source. Therefore, each hospital administering this type of therapy should include a charge (which is hospital-specific) for the radiation source in the charge for the procedure. Therefore, we propose to package the costs associated with high dose iridium into the HCPCS codes used to describe this procedure. Those codes are: 77781, 77782, 77783, and 77784.

Prostate Brachytherapy

The preponderance of brachytherapy claims under OPPS to date is for prostate brachytherapy. Brachytherapy is administered in several other organ systems, but the claims volume for non-prostate brachytherapy is very small, and hence our base of information on which to make payment decisions is slim. Furthermore, prostate brachytherapy uses only two isotopes, which are similar in cost, while brachytherapy on other organs involves a variety of isotopes with greater variation in cost. Consequently, we believe it would be prudent to wait for further experience to develop before proceeding to package non-prostate brachytherapy seeds.

A number of commenters at the April 5, 2002, Town Hall Meeting and elsewhere have stressed to us their views that brachytherapy seeds should remain unpackaged. The principle argument put forth in favor of this approach is that the number of seeds used is highly variable across patients. We do not find this argument compelling. Payments in the OPPS, as in other prospective payment systems, are based on averages. We expect hospitals, in general, to be able to accommodate variation across patients in resource costs of services paid in a particular payment cell. The degree of variation should be immaterial as long as the payment is appropriate for a typical case, the hospital treats a caseload the resource use of which approximates a typical distribution, and the number of cases treated by a hospital is sufficiently large to overcome peculiarities in resource use that might be observed with a very small number of cases. We believe the service volume at hospitals providing prostate brachytherapy is likely to be large enough for a payment reflecting average use of seeds to be appropriate.

Additionally, appropriate payment for prostate brachytherapy has been of concern to many commenters since implementation of the OPPS because facilities must use multiple HCPCS codes on a single claim to accurately describe the entire procedure. Because we determine APC relative weights using single procedure claims, commenters have argued that payments for prostate brachytherapy are, in part, based on error claims, resulting in underpayment for this important service. We agree that basing the relative weights for APCs reported for prostate brachytherapy services on only the small number of claims related to this service that are single procedure claims may be problematic. To increase the number of claims we could use to develop the proposed 2003 relative payment weights for prostate brachytherapy, we began by identifying all claims billed in 2001 for prostate brachytherapy. That is, we identified all claims that contained a line item for HCPCS code 77778, Interstitial radiation source application; complex, and HCPCS code 55859, Transperineal placement of needles or catheters into prostate for interstitial radioelement application, with or without cystoscopy. We discovered more than 12,000 claims that met these specifications, suggesting that most of the procedures coded under HCPCS code 77778 were for prostate brachytherapy. Unfortunately, closer analysis of these claims revealed that hospitals do not report prostate brachytherapy using a uniform combination of codes. Of the more than 12,000 claims for prostate brachytherapy that we identified in the 2001 claims data, no single combination of HCPCS codes occurred more than 25 times.

Therefore, in order to facilitate tracking of this service, we propose to establish a G code for hospital use only that will specifically identify prostate brachytherapy. We propose as the descriptor for this G code the following: ''Prostate brachytherapy, including transperineal placement of needles or catheters into the prostate, cystoscopy, and interstitial radiation source application.'' This G code would be used by hospitals instead of HCPCS codes 55859 and 77778 to bill for prostate brachytherapy. Hospitals would continue to use HCPCS codes 55859 and 77778 when reporting services other than prostate brachytherapy. We would also instruct hospitals to continue to

report separately other services provided in conjunction with prostate brachytherapy, such as dosimetry and ultrasound guidance. These additional services would be paid according to the APC payment rate established by our usual methodology.

This G code will allow us to package brachytherapy seeds into the procedures for administering prostate brachytherapy while permitting us to pay separately for brachytherapy seeds which are administered for other procedures. Therefore, we propose to package the costs of the brachytherapy seeds, catheters, and needles into the payment for the prostate brachytherapy G code. In order to develop a payment amount for this G code, we used all claims where both HCPCS codes 55859 and 77778 appeared. We packaged all revenue centers and appropriate HCPCS codes, that is, HCPCS with status indicator ''N.'' We then determined median costs of the line items for HCPCS codes 55859 and 77778 and added the two. Next, we packaged the costs of all C codes, whether an item-specific or a device category code, into the payment amount. We propose to assign APC 0684 with status indicator ''T.'' We believe the payment rate proposed for this G code appropriately reflects the costs of the procedures, the brachytherapy seeds, and any other devices associated with these procedures. We solicit comments on this proposal.

Packaging of Other Device Costs Associated with Brachytherapy

We propose to package the costs of brachytherapy needles and catheters with whichever procedures they are reported, similar to our proposal for packaging the costs of other devices that will no longer be eligible for a transitional pass-through payment in 2003. Because the HCPCS code descriptors for brachytherapy are based on the number of catheters or needles used, we believe the costs of these devices would be appropriately reflected within the costs of the associated procedure.

*D. Criteria for New Device Categories*

Section 1833(t)(6)(B)(ii) of the Act, as amended by BIPA, required us to establish criteria by July 1, 2001 that will be used to create additional device categories to be used in determining eligibility of a device for pass-through payments. This provision requires that no medical device be described by more than one category. In addition, the criteria must include a test of whether the average cost of devices that would be included in a category is ''not insignificant'' in relation to the APC payment amount for the associated service.

On November 2, 2001, we published in the **Federal Register** an interim final rule (66 FR 55850) that set forth the criteria for establishing new (that is, additional) categories of medical devices eligible for transitional pass-through payments under the hospital outpatient PPS as required by section 1833(t)(6)(B)(ii) of the Act. The provisions relating to transitional pass-through payments for eligible drugs and biologicals remained unchanged and were not addressed in the November 2001 interim final rule (except for a change relating to contrast agents as provided in section 430 of BIPA). We received several public comments regarding our criteria published in the November 2001 interim final rule. We will respond to these public comments in the final rule for the OPPS for 2003.

In the November 2, 2001 interim final rule, we implemented new § 419.66(c), which establishes the criteria for establishing a new device category. We propose to make a technical correction to § 419.66(c)(1), which establishes one of those criteria. Specifically, we discuss in the November 2, 2001 interim final rule the criterion that a new category must describe devices that demonstrate substantial improvement in medical benefits for Medicare beneficiaries compared to the benefits obtained by devices in previously established (that is, previously existing) categories or other available treatments, as described in regulations at new § 419.66(c)(1) (66 FR 55852). Section 1833(t)(6)(B)(ii)(IV) of the Act requires that a new category must include medical devices for which no existing category, or one previously in effect, is appropriate. In the November 2, 2001 IFC, we addressed in the preamble the requirement that no category previously in effect could describe a new category (66 FR 55852), but we did not conform the regulations text to this requirement. Therefore, we propose to correct § 419.66(c)(1) to read as follows:

(1) CMS determines that a device to be included in the category is not described by any of the existing categories or by any category previously in effect, and was not being paid for as an outpatient service as of December 31, 1996.

*E. Payment for Transitional Pass-Through Drugs and Biologicals for Calendar Year 2003*

As discussed in the November 13, 2000 interim final rule (65 FR 67809) and the November 30, 2001 final rule (66 FR 59895), we update the payment rates for pass-through drugs on an annual basis. Therefore, as we have done for prior updates, we propose to update the APC rates for drugs that are eligible for pass-through payments in 2003 using the most recent version of the Red Book, the July 2002 version in this case. The updated rates effective January 1, 2003 would remain in effect until we implement the next annual update in 2004, when we would again update the AWPs for any pass-through drugs based on the latest quarterly version of the Red Book. This retains the update of pass-through drug prices on the same calendar year schedule as the other annual OPPS updates.

As described in our final rule of November 30, 2001 (66 FR 59894), in order to establish the applicable beneficiary copayment amount and the pass-through payment amount, we must determine the cost of the pass-through eligible drug or biological that would have been included in the payment rate for its associated APC had the drug or biological been packaged. We used hospital acquisition costs as a proxy for the amount that would have been packaged, based on data from an external survey of hospital drug costs (see the April 7, 2000 final rule (65 FR 18481)). That survey concluded that—

- For drugs available through only one source drugs, the ratio of acquisition cost to AWP equals 0.68;
- For multisource drugs, the ratio of acquisition cost to AWP equals 0.6l;
- For drugs with generic competitors, the ratio is 0.43.

As we stated in our final rule of November 30, 2001 (66 FR 59896), we considered the use of the study-derived ratios of drug costs to AWP to be an interim measure until we could obtain data on hospital costs from claims. We stated that we anticipated having this data to use in setting payment rates for 2003.

As described elsewhere in this preamble, we used 2001 claims data to calculate a median cost per unit of drug for each drug for which we are currently paying separately. We compared the median per unit cost of each drug to the AWP to determine a ratio of acquisition cost to AWP. Using the total units billed for each drug, we then calculated a weighted average for each of the above three categories of drugs. These calculations resulted in the following weighted average ratios:

- For sole-source drugs, the ratio of cost to AWP equals 71.0 percent.
- For multisource drugs, the ratio of cost to AWP equals 68.0 percent.
- For drugs with generic competitors, the ratio of cost to AWP equals 46.0 percent.

We propose to use these percentages for determining the applicable beneficiary copayment amount and the pass-through payment amount for drugs eligible for pass-through payment in 2003.

We propose to use these percentages for determining the applicable beneficiary copayment amount and the pass-through payment amount for most drugs eligible for pass-through payment in 2003. However some drugs may fall into two other classes. The first class includes a drug that is new and for which no cost is yet included in an associated APC. For such a drug, because there is no cost for the drug yet included in an associated APC, the pass-through amount will be 95 percent of the AWP and there would be no copayment. The second class includes a drug that is new and is a substitute for only one drug that is recognized in the OPPS through an unpackaged APC. For drugs in this second class, the pass-through amount would be the difference between 95 percent of the AWP for the pass-through drug and the payment rate for the comparable dose of the associated drug's APC. The copayment would be based on the payment rate of its associated APC. We believe that using this methodology will yield a more accurate payment rate.

We have received questions with respect to our definition of multisource drugs. In determining whether a drug is available from multiple sources, we consider repackagers to be among the sources. This is consistent with the findings of the survey cited above which indicated a lower ratio of acquisition cost to AWP from multiple sources including repackagers.

We note that determining that a drug is eligible for a pass-through payment or assigning a status indicator ''K'' to a drug or biological (indicating that the drugs or biologicals is paid based on a separate APC rate) indicates only the method by which the drug or biological is paid if it is covered by the Medicare program. It does not represent a determination that the drug is covered by the Medicare program. For example, Medicare contractors must determine whether the drug or biological is: (1) reasonable and necessary to treat the beneficiary's conditions; and (2) excluded from payment because it is usually self-administered by the patient.

## IV. Wage Index Changes for Calendar Year 2003

Section 1833(t)(2)(D) of the Act requires that we determine a wage adjustment factor to adjust for geographic wage differences, in a budget neutral manner, that portion of the OPPS payment rate and copayment amount that is attributable to labor and labor-related costs.

We used the proposed Federal fiscal year (FY) 2003 hospital inpatient PPS wage index to make wage adjustments in determining the proposed payment rates set forth in this proposed rule. The proposed FY 2003 hospital inpatient wage index published in the May 9, 2002 **Federal Register** (67 FR 31431) is reprinted in this proposed rule as Addendum H—Wage Index for Urban Areas; Addendum I—Wage Index for Rural Areas; and Addendum J—Wage Index for Hospitals That Are Reclassified. We propose to use the final FY 2003 hospital inpatient wage index to calculate the payment rates and coinsurance amounts that we will publish in the final rule implementing the OPPS for CY 2003.

## V. Copayment for Calendar Year 2003

Section 1833(t)(8)(C)(ii) of the Act accelerates the reduction of beneficiary copayment amounts, providing that, for services furnished on or after April 1, 2001 and before January 1, 2002, the national unadjusted coinsurance for an APC cannot exceed 57 percent of the APC payment rate. The statute provides that the national unadjusted coinsurance for an APC cannot exceed 55 percent in 2002 and 2003. The statute provides for further reductions in future years so that the national unadjusted coinsurance for an APC cannot exceed 55 percent of the APC payment rate in 2002 and 2003, 50 percent in 2004, 45 percent in 2005, and 40 percent in 2006 and thereafter.

For 2003, we determined copayment amounts for new and revised APCs using the same methodology that we implemented for 2002 (see the November 30, 2001 final at 66 FR 59888). See Addendum B for proposed national unadjusted copayments for 2003. Our regulations at § 419.41 conform to this provision of the Act.

## VI. Conversion Factor Update for Calendar Year 2003

Section 1833(t)(3)(C)(ii) of the Act requires us to update the conversion factor used to determine payment rates under the OPPS on an annual basis. Section 1833(t)(3)(C)(iv) of the Act provides that for 2003, the update is equal to the hospital inpatient market basket percentage increase applicable to hospital discharges under section 1886(b)(3)(B)(iii) of the Act.

The most recent forecast of the hospital market basket increase for FY 2003 is 3.5 percent. To set the proposed OPPS conversion factor for 2003, we increased the 2002 conversion factor of $50.904 (the figure from the March 1, 2002 final rule (67 FR 9556)) by 3.5 percent.

In accordance with section 1833(t)(9)(B) of the Act, we further adjusted the proposed conversion factor for 2003 to ensure that the revisions we are proposing to update by means of the wage index are made on a budget-neutral basis. We calculated a budget neutrality factor of .98715 for wage index changes by comparing total payments from our simulation model using the proposed FY 2003 hospital inpatient PPS wage index values to those payments using the current (FY 2002) wage index values.

The increase factor of 3.5 percent for 2003 and the required wage index budget neutrality adjustment of .98715 result in a proposed conversion factor for 2003 of 52.009.

## VII. Outlier Policy for Calendar Year 2003

For OPPS services furnished between August 1, 2000 and April 1, 2002, we calculated outlier payments in the aggregate for all OPPS services that appear on a bill in accordance with section 1833(t)(5)(D) of the Act. In the November 30, 2001 final rule (66 FR 59856, 59888), we specified that beginning with 2002, we will calculate outlier payments based on each individual OPPS service. We revised the aggregate method that we had used to calculate outlier payments and began to determine outliers on a service-by-service basis.

As explained in the April 7, 2000 final rule (65 FR 18498), we set a target for outlier payments at 2.0 percent of total payments. For purposes of simulating payments to calculate outlier thresholds, we propose to continue to set the target for outlier payments at 2.0 percent, as we did for CYs 2001 and 2002. For 2002, the outlier threshold is met when costs of furnishing a service or procedure exceed 3.5 times the APC payment amount, and the current outlier payment percentage is 50 percent of the amount of costs in excess of the threshold. Based on our simulations for 2003, we propose to set the threshold for 2003 at 2.75 times the APC payment amounts, and the proposed 2003 payment percentage applicable to costs over the threshold at 50 percent.

## VIII. Other Policy Decisions and Proposed Changes

### *A. Hospital Coding for Evaluation and Management (E/M) Services*

Background

Currently, facilities code clinic and emergency department visits using the same current procedural terminology (CPT) codes as physicians. For both clinic and emergency department visits, there are five levels of care. While there is only one set of codes for emergency visits, clinic visits are differentiated by new patient, established patient, and consultation visits. CPT codes 99201 through 99205 are used for new patients, CPT codes 99211 through 99215 are used for established patients, and CPT codes 99281 through 99285 for emergency patients.

Physicians determine the proper code for reporting their services by referring to CPT descriptors and our documentation guidelines. The descriptors and guidelines are helpful to physicians because they reference taking a history, performing an examination, and making medical decisions. The lower levels of service (for example, CPT codes 99201, 99211, and 99281) are used for shorter visits and for patients with uncomplicated problems, and the higher levels of service (for example, CPT codes 99205, 99215, and 99285) are used for longer visits and patients with complex problems.

These codes were defined to reflect the activities of physicians. It is generally agreed, however, that they do not describe well the range and mix of services provided by facilities to clinic and emergency patients (for example, ongoing nursing care, preparation for diagnostic tests, and patient education).

Before the implementation of the OPPS, facilities were paid on the basis of charges reduced to costs. In that system, because use of a correct HCPCS code did not influence payment, there was little incentive to correctly report the level of service. In fact, many facilities reported all clinic and emergency visits with the lowest level of service (for example, CPT codes 99211, 99201, and 99281) simply to minimize administrative burden (for example, charge-masters might include only one level of service).

This situation changed with the implementation of the OPPS. The OPPS requires correct reporting of services using HCPCS codes as a prerequisite to payment. For emergency and clinic visits, the OPPS distinguishes three levels of service for payment purposes. These are referred to as ''low-level,'' ''mid-level,'' and ''high-level'' emergency or clinic visits. Low-level clinic and emergency visits include CPT codes for level one and two services (for example, CPT codes 99201, 99211, and 99281), mid-level visits include level three services (for example, CPT codes 99203, 99213, and 99283), and high-level visits include level four and five services (for example, CPT codes 99205, 99215, and 99285). Payment rates for low-level visits are less than for mid-level visits, which are less than rates for high-level visits.

In the April 7, 2000 final rule (65 FR 18434), we stated that to pay hospitals properly, it was important that emergency and clinic visits be coded properly. To facilitate proper coding, we required each hospital to create an internal set of guidelines to determine what level of visit to report for each patient. We stated in the rule, that if hospitals set up these guidelines and follow them, they would be in compliance with OPPS coding requirements for the visits. Furthermore, we announced that we would be reviewing this issue and planned to set national guidelines for coding clinic and emergency visits in the future. In the August 24, 2001 proposed rule (66 FR 44672), we asked for public comments regarding national guidelines for hospital coding of emergency and clinic visits. We also announced that we would compile these comments and present them to our APC Panel at the January 2002 meeting. We also announced that we planned to propose uniform national facility coding guidelines in the proposed rule for the 2003 OPPS.

During its January 2002 meeting, the APC Panel reviewed written comments, heard oral testimony, discussed the issue, and made recommendations concerning establishment of facility coding guidelines for emergency and clinic visits. Among those who submitted oral and written comments to us and to the Panel were national hospital organizations, national physician organizations, hospital systems, individual hospitals, coding organizations, and consultants.

Discussion

We set forth below, by issue, a summary of the comments we received:

• The need for national coding guidelines.

Except for the American Medical Association (AMA) and one other physician organization, commenters unanimously agreed that national guidelines for facility coding of emergency and clinic visits were required. Furthermore, most commenters requested that we establish these guidelines as soon as possible, but, in any event, not later than January 2003. Among the reasons cited were the following:

+ The need for facilities to comply with the requirements of the Health Insurance Portability and Accountability Act (HIPAA), no later than October 16, 2003 (October 16, 2002 for those entities that do not obtain a one-year extension). Commenters expressed concern that use of CPT E/M codes with different reporting rules when used by facilities (as opposed to use by physicians) would violate HIPAA requirements.

+ The need for facilities to set up effective audit and compliance programs.

+ The need to minimize confusion on the part of coders.

+ The need to minimize inaccurate payments.

+ The need to prevent gaming of the system by facilities.

The AMA recommended that we wait for the CPT Editorial Panel to develop coding guidelines for hospitals to assure that coding guidelines will be minimally burdensome to hospitals.

• The need to establish principles against which facility E/M coding guidelines would be measured. Commenters unanimously agreed that any set of coding guidelines for facilities would have to satisfy a uniform set of basic principles to be acceptable to, and accepted by, hospitals. These include the following:

+ Coding guidelines for emergency and clinic visits should be based on emergency department or clinic facility resource use, not physician resource use.

+ Coding guidelines should be clear, facilitate accurate payment, be usable for compliance purposes and audits, and meet HIPAA requirements.

+ Coding guidelines should only require documentation that is clinically necessary for patient care. Preferably, coding guidelines should be based on current hospital documentation requirements.

+ Coding guidelines should not facilitate upcoding or gaming.

We would add one other requirement to these principles: The distribution of codes should result in a normal curve. Documentation guidelines should facilitate this result.

• Current use of hospital coding guidelines is inconsistent and much more prevalent in the emergency department.

Several commenters noted that many hospitals have developed their own coding guidelines but that no specific

set of guidelines is in widespread use at the present time. These commenters noted that guidelines have been used much more in the emergency department setting than in the clinic setting. They also noted that only one set of guidelines has undergone any sort of testing. These are the facility coding guidelines for emergency departments, developed and copyrighted by the American College of Emergency Physicians (ACEP). Unfortunately, the testing was not done by protocol, no quantitative data were collected, and only a small number of facilities participated.

• Development of two sets of guidelines: one for emergency department visits and one for clinic visits.

Several commenters noted that the types and intensity of hospital resources used for emergency department visits were significantly different from the types and intensity of resources used for clinic visits. These commenters recommended that we adopt different guidelines for emergency department and clinic visits.

• The need to develop new descriptors and codes for facility emergency and clinic visits.

Commenters unanimously agreed that the current CPT descriptors for E/M services were not only inappropriate for facility coding of emergency and clinic visits but also were confusing and misleading to both facility coders and our reviewers. Commenters stated that patients whose complexity level was low in terms of physician work could frequently require highly intensive and complex facility services (for example, patients with gastroenteritis who require intravenous fluids, patients in motor vehicle accidents who require multiple X-rays, or patients with congestive heart failure or diabetes who require extensive education). In these cases, lack of agreement between physician and hospital coding would be clinically appropriate but could be the source of an investigation given the current code descriptors and hospital reporting guidelines. Commenters were also concerned that internal hospital-specific coding guidelines could vary greatly because the current CPT descriptors exclude any reference to facility services and, therefore, are highly susceptible to individual interpretation. A third concern was HIPAA compliance. Commenters believe that development by individual hospitals of a second set of descriptors that the hospital uses when reporting E/M codes could violate HIPAA requirements. These commenters believe that when HIPAA is first implemented on October 16, 2002 (October 16, 2003 for those entities that obtain a one-year extension), Healthcare Common Procedure Coding System (HCPCS) codes must be used uniformly by all providers. Two sets of descriptors for a single set of codes would require that different providers (that is, physicians and hospitals) use the codes differently. Based on these concerns, all commenters recommended that we develop, on an interim basis, HCPCS codes for emergency and clinic visits with descriptors specific for hospital coding.

• Maintenance of five levels of service.

Although a few commenters were not certain that facilities needed to differentiate among five levels of service, they believe that reducing the number of levels of service, even if clinically appropriate, would cause significant confusion among coders and reviewers. Therefore, they recommended maintaining five levels of service on an interim basis until more data on this issue can be obtained.

• Recommendations concerning adoption of specific guidelines.

Commenters recommended four basic types of guidelines for adoption.

1. Guidelines based on the number or type of staff interventions. Under this model, the level of service reported would be based on the number and/or type of interventions performed by nursing or ancillary staff. In the intervention model, baseline care (including registration, triage, initial nursing assessment, periodic vital signs as appropriate, simple discharge instructions, and exam room set up/clean up) and possibly a single minor intervention (for example, suture removal, rapid strep test, visual acuity) would be reported by the lowest level of service. Higher levels of service would be reported as the number and/or complexity of staff interventions increased.

The most commonly recommended intervention-based guidelines were the facility-coding guidelines developed by ACEP. The ACEP model uses examples of interventions to illustrate appropriate coding. Coders extrapolate from these examples to determine the correct level of service to report. The ACEP model uses the type of intervention rather than the number of interventions to determine the appropriate level of service. This means that the single most complex intervention determines the level of service whether it was the only service provided (in addition to baseline care), whether other similarly complex interventions were also provided, or whether other interventions of less complexity were also provided. The intervention model is based on emergency/clinic resource use, is simple, reflects the care given to the patient, and does not require additional facility documentation. However, we are concerned that the intervention model may provide an incentive to provide unnecessary services and that it is susceptible to upcoding. Furthermore, the ACEP model requires extrapolation from a set of examples that could make it prone to variability across hospitals.

2. Guidelines based on the time staff spent with the patient. Under this model, the level of service would be determined based on the amount of time hospital staff spent with the patient. The underlying assumption is that staff time spent with the patient is an appropriate proxy for total facility resource consumption. In this model, if only baseline care (as described above) were provided a Level 1 service would be reported. Higher levels of service would be reported based on increments of staff time beyond baseline care (for example, Level 2 would be reported for 11 to 20 minutes beyond baseline care, and Level 3 would be reported for 21 to 30 minutes beyond baseline care). This model is simple, it correlates with total facility resource use, and it would provide an objective standard for all hospitals to follow. However, extra, potentially burdensome, documentation (that is, documentation of staff time that is not normally required for clinical care) would be necessary, there would be an incentive to work slowly or use less efficient personnel, and there would be significant potential for upcoding and gaming.

3. Guidelines based on a point system where a certain number of points is assigned to each staff intervention based on the time, intensity, and staff type required for the intervention. In this model, points or weights are assigned to each facility service and/or intervention provided to a patient in the clinic or emergency department. The level of service is determined by the sum of the points for all services/interventions provided. Commenters recommended various approaches to a point system including point systems that assigned points based on the amount of staff time spent with the patient, the number of activities performed during the emergency department or clinic visit, and a combination of patient condition and activities performed. A point system would correlate with facility resource consumption and provide an objective standard. However, a point system could present significant burdens for hospitals in terms of requiring extra, clinically unnecessary, documentation. Point systems are

extremely complex, would probably require dedicated staff to monitor and maintain, and would be susceptible to upcoding and gaming.

4. Guidelines based on patient complexity. Several variations were recommended including assignment of level of service based on ICD–9–CM (International Classification of Diseases, Ninth Edition, Clinical Modification) diagnosis codes, assignment of level of service based on complexity of medical decision making, or assignment of level of service based on presenting complaint or medical problem. The premise for these systems is that many emergency departments follow established protocols based on patients presenting complaints and diagnoses. Therefore, assigning a level of service based on patient diagnosis should correlate with facility resource consumption. These systems require the use of a coding ''grid,'' which lists more than 100 examples of patient conditions and diagnosis and assigns a level of service to each example. When a patient has a condition that does not appear on the grid, the coder must extrapolate from the grid to the individual patient. These systems are extremely complex, demand significant interpretive work on the part of a coder (who may not have clinical experience), and are subject to variability across hospitals. No clinically unnecessary documentation would be required but, because the system is based on diagnosis, there is a significant potential for upcoding and gaming.

APC Panel Recommendations

The APC Panel reviewed the comments that we received, reviewed background material we prepared, and heard oral testimony. Most commenters recommended that we adopt the ACEP guidelines. However, one organization representing cancer centers stated that the most appropriate proxy for facility resource consumption in cancer care is staff time and asked that we consider basing our guidelines on staff time. Commenters agreed that we needed to address this problem in the proposed rule for CY 2003. They also agreed that to address potential HIPAA compliance issues, we should develop new HCPCS codes for facility visits; and that we should maintain five levels of service for emergency and clinic visits until data are available to show that only three levels of service are required to ensure accurate payments. Commenters also agreed that, for the same level of service, clinic resource consumption should be similar for new, established, and consultation patients. Therefore, we need only create a single set of five codes for clinic visits.

After a thorough discussion, the APC technical panel made the following recommendations:

1. Propose and make final facility coding guidelines for E/M services for calendar year 2003.

2. Create a series of G codes with appropriate descriptors for facility E/M services.

3. Maintain a single set of codes, with five levels of service, for emergency department visits.

4. Develop a single set of codes, with five levels of service, for clinic visits. The Panel specifically recommended that we not differentiate among visit types (for example, new, established, and consultation visits) for the purposes of facility coding of clinic visits.

5. Adopt the ACEP facility coding guidelines as the national guidelines for facility coding of emergency department visits.

6. Develop guidelines for clinic visits that are modeled on the ACEP guidelines but are appropriate for clinic visits.

7. Implement these guidelines as interim and continue to work with appropriate organizations and stakeholders to develop final guidelines.

Proposal

We have reviewed the written comments, the oral testimony before the APC Panel, and the Panel's recommendations. We agree that facility coding guidelines should be implemented as soon as possible. We are particularly concerned that facilities be able to comply with HIPAA requirements. We have worked, and will continue to work, on this issue, with hospitals, organizations representing hospitals, physicians, and organizations representing physicians. We note that the AMA CPT Editorial Panel is not currently considering the issue of facility coding guidelines for clinic visits and that the earliest any CPT guidelines could be implemented would be in January 2004. Additionally, consistent with the intent of the outpatient prospective payment system, we want to ensure that reporting of hospital emergency and clinic visits is resource based.

After careful review and consideration of written comments, oral testimony and the APC Panel's recommendations, we propose the following (for implementation no earlier than January 2004):

1. To develop five G codes to describe emergency department services: GXXX1—Level 1 Facility Emergency Services, GXXX2—Level 2 Facility Emergency Services, GXXX3—Level 3 Facility Emergency Services, GXXX4—Level 4 Facility Emergency Services, and GXXX5—Level 5 Facility Emergency Services.

2. To develop five G codes to describe clinic visits: GXXX6—Level 1 Facility Clinic Services, GXXX7—Level 2 Facility Clinic Services, GXXX8—Level 3 Facility Clinic Services, GXXX9—Level 4 Facility Clinic Services, and GXXX10—Level 5 Facility Clinic Services.

3. To replace CPT Visit Codes with the 10 new G codes for OPPS payment purposes.

4. To establish separate documentation guidelines for emergency visits and clinic visits.

With regard to the documentation guidelines, our primary concerns are to make appropriate payment for medically necessary care, to minimize the information collection and reporting burden on facilities, and to minimize any incentive to provide unnecessary or low quality care. We realize that many facilities use complaint or diagnosis driven care protocols and that current documentation standards do not include documentation of staff time or the complexity of diagnostic and therapeutic services provided. Therefore, in the interest of facilitating the delivery of medically necessary care in a clinically appropriate way, we believe that the potential drawbacks of each of the recommended sets of guidelines outweigh the potential benefits of creating uniformity and reproducibility. For example, any documentation system requiring counting or quantification of resource use has the potential to be burdensome, require clinically unnecessary documentation, and be susceptible to upcoding and gaming. Documentation systems using coding grids or a series of clinical examples for each level of service are subject to interpretation, may induce variability, may be overly complex and burdensome, and may result in disagreements with medical reviewers. We are also concerned that all the proposed guidelines allow counting of separately paid services (for example, intravenous infusion, x-ray, EKG, lab tests, etc.) as ''interventions'' or ''staff time'' in determining a level of service. We believe that, within the constraints of clinical care and management protocols, the level of service for emergency and clinic visits should be determined by resource consumption that is not otherwise separately payable.

To address these concerns, in addition to reviewing written comments, oral comments, and the APC

Panel recommendations, we have also reviewed the current distribution of paid emergency and clinic visit codes in the OPPS. With regard to emergency visits, we have observed that well over 50 percent of the visits are considered ''multiple procedure claims'' because the claim includes services such as diagnostic tests (for example, EKGs, x-rays) or therapeutic interventions (for example, intravenous infusions). The distribution of all emergency services is in a bell-shaped curve with a slight left shift because there are more claims for CPT codes 99281 and 99282 than for CPT codes 99284 and 99285. This pattern of coding is significantly different from physician billing for emergency services, which is skewed and peaks at CPT code 99284. We also note that the median costs for successive levels of emergency visits show an expected increase across APCs.

With regard to clinic visits, we have observed that more than 50 percent of the services are considered ''single claims'' meaning that they are billed without any other significant procedures such as diagnostic tests or therapeutic interventions. We also note that the distribution of clinic visits is skewed with the majority being low-level clinic visits. This distribution is consistent with pre-OPPS billing patterns where many facilities billed all clinic visits as low level visits. However, the median costs for different levels of clinic services, while similar within an APC, do not show the expected increase across the clinic visit APCs.

Based on our review, on the current distribution of coding for emergency and clinic visits, and on our understanding that hospitals set charges for services based on the resources used to provide those services, we believe that an incremental approach to developing and implementing documentation guidelines for emergency and clinic visits is appropriate. As hospitals become more familiar with the OPPS and with the need to differentiate emergency and clinic visits based on resource consumption, we will continue to review the advantages and disadvantages of detailed, uniform documentation guidelines. We plan to begin the development of uniform guidelines over the next year. If we are ready, we would propose the guidelines for comments in our **Federal Register** document for the calendar year 2004 update. For calendar year 2003, we propose the following new codes:

Emergency Visits

Our data indicate that, in general, hospitals under the OPPS are reporting emergency visits appropriately. We believe that insofar as hospitals have existing guidelines for determining the level of emergency service, those guidelines reflect facility resource consumption. Therefore, we propose that GXXX1—Level 1 Facility Emergency Services be reported when facilities deliver, and document, basic emergency department services. These services include registration, triage, initial nursing assessment, minimal monitoring in the emergency department (for example, one additional set of vital signs), minimal diagnostic and therapeutic services (for example, rapid strep test, urine dipstick), nursing discharge (including brief home instructions), and exam room set up/clean up. We would expect that these services would be delivered to patients who present with minor problems of low acuity.

With regard to GXXX2 through GXXX5, we propose to require that facilities develop internal documentation guidelines based on hospital resource consumption (for example, staff time). These guidelines must be appropriate for the type of services provided in the hospital and must also clearly differentiate the relative resource consumption for each level of service so that a medical reviewer can easily infer the type, complexity, and medical necessity of the services provided and validate the level of service reported. Because there is great variability in available facility resources, staff, and clinical protocols among facilities, we do not believe that it is advisable to require a single set of guidelines for all facilities. Instead, we believe it is appropriate for each facility to develop its own documentation guidelines that take into account the facility's clinical protocols, available facility resources, and staff types. As stated above, we are not proposing any specific requirements with regard to the basis of these guidelines. However, the guidelines must be tied to actual resource consumption in the emergency department such as number and type of staff interventions, staff time, clinical examples, or patient acuity. We also propose to require that facilities have documentation guidelines available for review upon request. The guidelines must emphasize relative resource consumption and must not, to the extent possible, set minimal requirements as a basis for determining the level of service (for example, require 30 minutes of staff time or five staff interventions to bill a Level 3 emergency visit).

If made final, these requirements would be interim. We will work with interested parties to revise these requirements and would propose any revision to these requirements in a future proposed rule.

Clinic Visits

The current distribution of codes for clinic visits may be due to a facility's continued use of pre-OPPS coding policies for clinic visits. We believe that over time facilities will become as experienced differentiating levels of clinic visits as they are at differentiating levels of emergency visits. Therefore, we propose a set of guidelines for clinic visits that parallels the requirements for emergency visits. We propose that GXXX6—Level 1 Facility Clinic Services, be reported when facilities deliver, and document, basic clinic services. These services include registration, triage, initial nursing assessment, minimal monitoring in the clinic (for example, one additional set of vital signs), minimal diagnostic and therapeutic services (for example, rapid strep test, urine dipstick), nursing discharge (including brief home instructions), and exam room set up/clean up. Our proposal for GXXX7 through GXXX10 is the same as for GXXX2 through GXXX5 except that the facility-specific guidelines must be tied to actual resource consumption in the clinic such as number and type of staff intervention, staff time, clinical examples, or patient acuity. The guidelines must also differentiate the relative resource consumption in the clinic for each level of service sufficiently so that a medical reviewer could easily infer the type, complexity, and medical necessity of the services provided to validate the level of service provided.

This proposal, if made final, would also be interim while we work with interested parties to revise the requirements. Any revision would be proposed in a future proposed rule.

We propose to make final, in the 2003 OPPS final rule, changes in coding for clinic and emergency department visits and requirements related to the development of documentation guidelines for the new codes. However, we propose to implement the new codes and documentation guidelines no earlier than January 1, 2004. This will give hospitals time to develop documentation guidelines for the new codes and prepare their internal billing systems to accommodate the changes. We will continue to work with hospitals throughout CY 2003 as they develop the

documentation guidelines. We solicit comments on this proposal overall as well as the specific components of the proposal.

*B. Observation Services*

Coding and Billing Instructions

On November 30, 2001, we published a final rule updating changes to the OPPS for 2002. We implemented provisions that allow separate payment for observation services under certain conditions. That is, a hospital may bill for a separate APC payment (APC 0339) for observation services for patients with diagnoses of chest pain, asthma, or congestive heart failure when certain criteria are met. The criteria discussed in the November 30, 2001 final rule and as corrected in the March 1, 2002 final rule are also explained in detail in section XI of a Program Memorandum to intermediaries issued on March 28, 2002 (Transmittal A–02–026). Payment for HCPCS code G0244, observation care provided by a facility to a patient with congestive heart failure, chest pain or asthma, minimum eight hours, maximum 48 hours, was effective for services furnished on or after April 1, 2002.

Section XI of Transmittal A–02–026 that was issued on March 28, 2002 provides additional billing and coding instructions and requirements that flow from the basic criteria that we implemented in the November 30, 2001 and the March 1, 2002 final rules. Although we do not address them explicitly in the final rules, the additional instructions and requirements in Transmittal A–02–026 were developed to implement the basic observation criteria within the programming logic of the outpatient code editor (OCE), which is used to process claims submitted by hospitals for payment under the OPPS. For example, in the November 30, 2001 final rule, we state that an emergency department visit (APC 0610, 0611, or 0612) or a clinic visit (APC 0600, 0601, or 0602) must be billed in conjunction with each bill for observation services (66 FR 59879). In section XI of Transmittal A–02–026, we state that an Evaluation and Management (E/M) code (referred to, incorrectly, in Transmittal A–02–026 as an ''Emergency Management'' code), for the emergency room, clinic visit, or critical care is required to be billed on the day before or the day that the patient is admitted to observation. That is, unless one of the CPT codes assigned to APCs 0600, 0601, 0602, 0610, 0611, 0612, or 0620 is billed on the day before or the day that the patient is admitted to observation, separate payment for G0244 is not allowed. The codes assigned to these APCs are categorized by CPT as E/M codes. Although we did not include APC 0620, Critical Care, among the APCs that must be billed in order to receive separate payment for observation services, we added it in the program memorandum because critical care is an E/M service which can be furnished in a clinic or an emergency department. Critical care may appropriately precede admission to observation for chest pain, asthma, or congestive heart failure. We clarify in Transmittal A–02–026 that both the associated E/M code and G0244 are paid separately if the observation criteria are met. We also specify that the E/M code associated with observation must be billed on the same claim as the observation service.

Similarly, in the November 30, 2001 and the March 1, 2002 final rules, we require that certain diagnostic tests be performed in order to bill for separate payment for observation services. In Transmittal A–02–026, in section XI.B.2, we list the diagnostic tests that the OCE looks for on a bill for G0244. This list, which amplifies what we published in the November 30, 2001 and March 1, 2002 final rules, is incomplete and should read as follows to reflect the current OCE logic that is applied to claims for G0244:

- For chest pain, at least two sets of cardiac enzymes [either two CPK (82550, 82552, or 82553), or two troponin (84484 or 84512)], *and* two sequential electrocardiograms (93005);
- For asthma, a peak expiratory flow rate (94010) or pulse oximetry (94760, 94761, or 94762);
- For congestive heart failure, a chest x-ray (71010, 71020, or 71030) *and* an electrocardiogram (93005) *and* pulse oximetry (94760, 94761, or 94762).
- Note: Pulse oximetry codes 94760, 94761, and 94762 are treated as packaged services under the OPPS. Although as packaged codes no separate payment is made for these codes, hospitals must separately report the HCPCS code and a charge for pulse oximetry in order to establish that observation services for congestive heart failure and asthma diagnoses meet the criteria for separate payment.

Transmittal A–02–026 also provides specific coding instructions that hospitals must use when billing for observation services that do not meet the criteria for separate payment under APC 0339. In addition, Transmittal A–02–026 addresses the use of modifier ''25 with the E/M code billed with G0244.

Direct Admissions to Observation

Since implementation of the provision for separate payment for observation services under APC 0339, a number of hospitals, hospital associations, and other interested parties have asked if separate payment for observation services would be allowed for a patient with chest pain, asthma, or congestive heart failure who is admitted directly into observation by order of the patient's physician but without having received critical care or E/M services in a hospital clinic or the emergency department on the day before or the day of admission to observation. We have responded during monthly CMS hospital open forum calls that, consistent with the criteria in the November 30, 2001 final rule, effective for services furnished on or after April 1, 2002, separate payment for observation services requires that an admission to observation be made by order of a physician in a hospital clinic or in a hospital emergency department. If a patient is directly admitted to observation but without an associated E/M service (including critical care) shown on the same bill, the hospital should bill observation services using revenue code 762 alone or revenue code 762 with one of the HCPCS codes for packaged observation services (CPT codes 99218, 99219, 99220, 99234, 99235, or 99236).

A related question has arisen in connection with a policy interpretation that was posted as a response to a ''Frequently Asked Question'' (FAQ) on our web site on September 12, 2000. The FAQ follows:

''Q.97: If a patient is admitted from the physician's office to the observation room, will there be no reimbursement?''

''A.97: Since observation is a packaged service, payment cannot be made if it is the only OPPS service on a claim. However, we believe that the ''admission'' of a patient to observation involves a low-level visit billed by the hospital, as well as whatever office visit the physician who arranged for the admission billed. Thus, when a patient arrives for observation arranged for by a physician in the community (that is, ''direct admit to observation''), and is not seen or assessed by a hospital-based physician, the hospital may bill a low-level visit code. This low-level visit code will capture the baseline nursing assessment, the creation of a medical record, the recording and initiation of telephone orders, etc. This visit may be coded only once during the period of observation. The observation charges should be shown in revenue code 762. The number of hours the patient was in

observation status should be shown in the units field. Payment for those services is packaged into the APC for the visit. Other services performed in connection with observation, such as lab, radiology, etc., should be billed for as well * * *''

We have been asked to clarify whether or not the low-level visit code suggested in the FAQ for patients directly admitted for observation services would satisfy the requirement that a line item for a hospital emergency visit, hospital clinic visit, or critical care appear on the same bill as HCPCS code G0244. Our response is that when we established the final criteria effective for services furnished on or after April 1, 2002, we did not contemplate that the low-level visit described in the FAQ would satisfy the requirement for the E/M code that a hospital must bill to show a hospital clinic visit or hospital emergency department visit was performed before observation services for asthma, congestive heart failure, or chest pain to bill and receive payment for G0244 under APC 0339.

In light of these questions, we have reviewed the criteria for separate payment for observation services under APC 0339, and we propose to modify the criteria and coding for observation services furnished on or after January 1, 2003. Specifically, we propose to create two new codes. These additional codes would allow us to collect data on the extent to which patients are directly admitted to hospital observation services without an associated hospital clinic visit or emergency department visit. The proposed codes are as follows:

G0LLL—Initial nursing assessment of patient directly admitted to observation with diagnosis of congestive heart failure, chest pain, or asthma.

G0MMM—Initial nursing assessment of patient directly admitted to observation with diagnosis other than congestive heart failure, chest pain, or asthma.

If a hospital directly admits to observation from a physician's office a patient with a diagnosis of congestive heart failure, asthma, or chest pain, we propose to require that G0LLL be billed with G0244. The current requirement that the hospital bill an emergency department visit (APC 0600, 0601, or 0602) or a clinic visit (APC 0610, 0611, or 0612) or a critical care service (APC 0620) in order to receive separate payment for observation services for patients not admitted directly from a physician's office would remain in effect. However, because the initial nursing assessment is part of any observation service, we propose not to make separate payment for G0LLL. Rather, we propose to assign status indicator ''N'' to G0LLL, to designate that charges submitted with G0LLL would be packaged into the costs associated with APC 0339. If G0LLL is billed, we would require that the medical record show that the patient was admitted directly from a physician's office for purposes of evaluating and treating chest pain, asthma, or congestive heart failure.

G0MMM describes the initial nursing assessment of a patient directly admitted to observation with a diagnosis other than chest pain, asthma, or congestive heart failure. We propose to assign G0MMM for payment under APC 0706, New Technology—Level I. We propose to require hospitals to bill G0MMM instead of the low level clinic visit referred to in the FAQ above to describe the initial nursing assessment of a patient directly admitted to observation with a diagnosis other than chest pain, asthma, or congestive heart failure. Separate payment would not be made for observation services billed with G0MMM. Rather, when billing G0MMM, hospitals would be required to use revenue code 762 alone or revenue code 762 with one of the HCPCS codes for packaged observation services (99218, 99219, 99220, 99234, 992335, or 99236). We propose to create G0MMM to establish a separately payable code into which costs for observation care for patients directly admitted for diagnoses other than asthma, chest pain, or congestive heart failure can be packaged and recognized.

We would use billing data for G0LLL and G0MMM in reviewing the provisions for payment of observation services in future updates of the OPPS. We invite comment on the extent to which these codes address the concerns that have been raised in connection with patients who are directly admitted to observation services.

## Billing Intravenous Infusions With Observation

Based on questions and concerns raised by hospitals since implementation of payment for APC 0339 effective April 1, 2002, we have also reviewed the current status of billing intravenous infusions with observation. Several hospitals have noted that claims for G0244 when billed with intravenous infusion services reported with HCPCS code Q0084 are denied because of the ''T'' status indicator assigned to HCPCS code Q0084. Our current payment rules for G0244 require that G0244 be denied if a service with status indicator ''T'' is performed the day before, the day of, or the day after observation care. Because patients in observation may require intravenous infusions of fluid, we propose to create code G0EEE, Intravenous infusion during separately payable observation stay, per observation, payable under APC 0340 with status indicator ''X.'' When observation services that otherwise meet the billing requirements for separate payment under APC 0339 include an intravenous infusion administered as part of the observation care, G0EEE would be used to report the infusion service. We include instructions on the use of G0EEE in the program memorandum issued to implement OPPS coding changes for the October 1, 2002 OCE. We solicit comment on the use of this code.

We discuss this and other new Level II HCPCS codes proposed for payment under the OPPS in section II.B.3 of this preamble. We instruct hospitals to use G0EEE only when billing for payment under APC 0339. G0EEE includes placement of the IV access and should not be billed with CPT code 36000.

## Annual Update of ICD–9 Diagnosis Codes

To receive payment for G0244, we require hospitals to bill specified ICD–9–CM diagnosis code(s). Because ICD–9–CM codes are updated effective October 1 of each year, we propose to issue by Program Memorandum any changes in the diagnosis codes required for payment of G0244 resulting from the ICD–9–CM annual update.

In the March 1, 2002 final rule (67 FR 9559) and in Transmittal A–02–026 issued on March 28, 2002, we listed the diagnosis codes required in order for separate payment of observation services under APC 0339 to be made for patients with congestive heart failure. We added by program memorandum the following new ICD–9–CM codes to the list of allowed diagnosis codes for separate payment for observation of patients with congestive heart failure, effective for services furnished on or after October 1, 2002:

428.20 unspecified systolic heart failure
428.21 acute systolic heart failure
428.22 chronic systolic heart failure
428.23 acute on chronic systolic heart failure
428.30 unspecified diastolic heart failure
428.31 acute diastolic heart failure
428.32 chronic diastolic heart failure
428.33 acute on chronic diastolic heart failure
428.40 unspecified combined systolic and diastolic heart failure
428.41 acute combined systolic and diastolic heart failure

428.42 chronic combined systolic and diastolic heart failure
428.43 acute on chronic combined systolic and diastolic heart failure

We invite comment on the addition of these diagnosis codes to the criteria for separate payment for observation services under APC 0339.

*C. Payment Policy When a Surgical Procedure on the Inpatient List Is Performed on an Emergency Basis*

As we state in section II.B.5 of this preamble, the inpatient list specifies those services that are only paid when provided in an inpatient setting. The inpatient list proposed for 2003 is printed as Addendum E. In Addendum B, status indicator C designates a HCPCS code that is on the inpatient list.

Over the past year, some hospitals and hospital associations have asked how a hospital could receive Medicare payment for a procedure on the inpatient list that had to be performed to resuscitate or stabilize a patient with an emergent, life-threatening condition who was transferred or died before being admitted as an inpatient. We reviewed within the context of our current policy the cases brought to our attention for which payment under the OPPS was denied because a procedure with status indicator C was on the bill. Based on that review, we propose to clarify our policy regarding Medicare payment when a procedure with status indicator C is performed under certain life-threatening, emergent conditions. We solicit comments on the extent to which the payment policy described below addresses hospitals' concerns. These comments would be most helpful if they are supported by specific examples of cases when hospitals have, in these instances, submitted bills for a procedure with OPPS status indicator C that were not paid.

1. Current Policy

In the April 7, 2000 final rule (65 FR 18451), in response to comments about the appropriate level of payment for patients who die in the emergency department, we set forth the following guidelines for fiscal intermediaries to use in determining how to make payment when a patient dies in the emergency department or is sent directly to surgery and dies there.

- If the patient dies in the emergency department, make payment under the outpatient PPS for services furnished.
- If the emergency department or other physician orders the patient to the operating room for a surgical procedure, and the patient dies in surgery, payment will be made based on the status of the patient. If the patient had been admitted as an inpatient, pay under the hospital inpatient PPS (a DRG-based payment).
- If the patient was not admitted as an inpatient, pay under the outpatient PPS (an APC-based payment).
- If the patient was not admitted as an inpatient and the procedure is designated as an inpatient-only procedure (payment status indicator C), no Medicare payment will be made for the procedure, but payment will be made for emergency department services.

The OPPS outpatient code editor (OCE) currently has an edit in place that generates a ''line item denial'' for a line on a claim that has a status indicator C. A line item denial means that the claim can be processed for payment but with some line items denied for payment. A line item denial can be appealed under the provisions of section 1869 of the Act. The OCE includes another edit that denies all other line items furnished on the same day as a line item with a status indicator C. The rationale for this edit is that all line items for services furnished on the same date as the procedure with status indicator C would be considered inpatient services and paid under the appropriate DRG.

As part of the definition of line item denial in the program memorandum that we issue quarterly to update the OCE specifications (for example, see Program Memorandum/Intermediaries, Transmittal A–02–052, June 18, 2002, which is available on our website at *http://www.hcfa.gov/pubforms/transmit/A02052.pdf*), we state that a line item denial cannot be resubmitted except for an emergency room visit in which a patient dies during a procedure that is categorized as an inpatient procedure: ''Under such circumstances, the claim can be resubmitted as an inpatient claim.''

In Addendum D of the March 1, 2002 final rule, we designate payment status indicator ''C'' as follows: ''Admit patient; bill as inpatient.''

2. Hospital Concerns

Hospitals have requested clarification regarding billing and payment in certain situations that our current policy does not seem to explicitly address. The following scenarios synthesize cases described by hospitals for which they have encountered problems when billing for a procedure with status indicator C.

*Scenario A:* A procedure assigned status indicator C under the OPPS is performed to resuscitate or stabilize a beneficiary who appears with or suddenly develops a life-threatening condition. The patient dies during surgery or postoperatively before being admitted.

*Scenario B:* An elective or emergent surgical procedure payable under the OPPS is being performed. Because of sudden, unexpected intra-operative complications, the physician must alter the surgical procedure and perform a procedure with OPPS status indicator C. The patient dies during the operation before he or she is admitted as an inpatient.

*Scenario C:* A procedure with status indicator C is performed to resuscitate or stabilize a beneficiary who appears with or suddenly develops a life-threatening condition. After the procedure, the patient is transferred to another facility for postoperative care.

3. Clarification of Payment Policy

We propose the following policy for fiscal intermediaries and providers to use in determining the appropriate Medicare payment in cases such as those described in the section above.

A procedure assigned status indicator C under the OPPS is never payable under the OPPS. Therefore, for a hospital to receive payment when a procedure with OPPS status indicator C is performed and: (1) the patient dies during or after the procedure, before being admitted, or (2) the patient survives the procedure and is transferred following the procedure, the patient's medical record must contain all of the following information:

- Either orders to admit written by the physician responsible for the patient's care at the hospital to which the patient was to be admitted, the hospital following the procedure for the purpose of receiving inpatient hospital services and occupying an inpatient bed, or written orders to admit and transfer the patient to another hospital following the procedure.
- Documentation that the reported HCPCS code for the surgical procedure with OPPS payment status indicator C (such as CPT code 61345) was actually performed.
- Documentation that the reported surgical procedure with status indicator C was medically necessary.
- If the patient is admitted and subsequently transferred to another facility, documentation that the transfer was medically necessary, such as the patient requiring postoperative treatment unavailable at the transferring facility.

Because these services would be paid according to the appropriate DRG or per diem (see below), all services that were furnished before admission that would otherwise be payable under the OPPS would be paid in accordance with the

provisions of section 3610.3 of the Medicare Intermediary Manual (''3-day rule'') and section 415.6 of the Medicare Hospital Manual.

In the case of a patient who dies during performance of a procedure with OPPS status indicator C before being admitted, the hospital would submit a claim for all services provided, including a line item for the status indicator C procedure. The claim would be rejected for payment under the OPPS and returned to the hospital. The hospital would resubmit the claim for payment as an inpatient stay under the appropriate DRG.

In the case of a patient who is admitted and transferred, the transferring hospital would be paid a per diem DRG rate if all the above conditions are met. (We propose to revise section 3610.5 of the Medicare Intermediary Manual accordingly.)

Note that a physician's order to admit a patient to an observation bed following a procedure designated with OPPS status indicator C would not constitute an inpatient admission and, therefore, would not qualify the procedure with status indicator C for payment. In this instance, the only allowable Medicare payment would be for a code payable under APC 0610, 0611, or 0612 if those services were provided. Payment would not be allowed for either the procedure with status indicator C or for any ancillary services furnished on the same date.

4. Orders To Admit

Some hospitals have raised questions about the timing of a physician's order to admit a patient. The requirements for the authenticating physician orders and the standards for medical record keeping fall outside the scope of this proposed rule and OPPS payment policy. The payment guidelines proposed above are to assist hospitals and contractors in determining how to bill and pay for services appropriately under Medicare. The patient's admission status, as documented by the medical records, determines what Medicare payment is appropriate. Medical record keeping and documentation requirements are addressed in the Medicare hospital conditions of participation at § 482.24, and are governed by applicable State law and State licensing rules and hospital accreditation standards.

*D. Status Indicators*

The status indicators we assign to HCPCS codes and APCs under the OPPS have an important role in payment for services under the OPPS because they indicate if a service represented by a HCPCS code is payable under the OPPS or another payment system and also if particular OPPS policies apply to the code. We are providing our proposed status indicator assignments for APCs in Addendum A, HCPCS codes in Addendum B, and definitions of the status indicators in Addendum D.

The OPPS is based on HCPCS codes for medical and other health services. These codes are used for a wide variety of payment systems under Medicare, including, but not limited to, the Medicare fee schedule for physician services, the Medicare fee schedule for durable medical equipment and prosthetic devices, and the Medicare clinical laboratory fee schedule. For purposes of making payment under the OPPS, we need a way to signal the claims processing system which HCPCS codes are paid under the OPPS and those codes to which particular OPPS payment policies apply. We accomplish this identification in the OPPS through the establishment of a system of status indicators with specific meanings. Addendum D defines the meaning of each status indicator for purposes of the OPPS.

We assign one and only one status indicator to each APC and to each HCPCS code. Each HCPCS code that is assigned to an APC has the same status indicator as the APC to which it is assigned.

Specifically, in 2003, we propose to use the status indicators in the following manner:

- We use A to indicate services that are paid under some payment method other than OPPS, such as the Durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) fee schedule or the physician fee schedule. Some but not all of these other payment systems are identified in Addendum D.
- We use ''C'' to indicate inpatient services that are not payable under the OPPS.
- We use ''D'' to indicate a code that was deleted effective with the beginning of the calendar year.
- We use ''E'' to indicate services for which payment is not allowed under the OPPS or that are not covered by Medicare.
- We use ''F'' to indicate acquisition of corneal tissue, which is paid at reasonable cost.
- We use ''G'' to indicate drugs and biologicals that are paid under OPPS transitional pass-through rules.
- We use ''H'' to indicate devices that are paid under OPPS transitional pass-through rules.
- We use ''K'' to indicate drugs and biologicals (including blood and blood products) and certain brachytherapy seeds that are paid in separate APCs under the OPPS, but that are not paid under OPPS transitional pass-through rules.
- We use ''N'' to indicate services that are paid under the OPPS for which payment is packaged into another service or APC group.
- We use ''P'' to indicate services that are paid under the OPPS but only in partial hospitalization programs.
- We use ''S'' to indicate significant procedures that are paid under OPPS but to which the multiple procedure reduction does not apply.
- We use ''T'' to indicate significant services that are paid under the OPPS and to which the multiple procedure payment discount under OPPS applies.
- We use ''V'' to indicate medical visits (including clinic or emergency department visits) that are paid under the OPPS.
- We use ''X'' to indicate ancillary services that are paid under the OPPS.

The software that controls Medicare payment looks to the status indicators attached to the HCPCS codes and APCs for direction in the processing of the claim. Therefore, the assignment of the status indicators has significance for the payment of services. We sometimes change these indicators in the course of a year through Program Memoranda. Moreover, indicators are established for new codes that we establish in the middle of the year, either as a result of a national coverage decision or otherwise. A status indicator, as well as an APC, must be assigned so that payment can be made for the service identified by the new code.

We are proposing the status indicators identified for each HCPCS code and each APC in Addenda A and B and are requesting comments on the appropriateness of the indicators we have assigned.

*E. Other Policy Issues Relating To Pass-Through Device Categories*

1. Reducing Transitional Pass-Through Payments To Offset Costs Packaged Into APC Groups

In the November 30, 2001 final rule, we explain the methodology we used to estimate the portion of each APC rate that could reasonably be attributed to the cost of associated devices that are eligible for pass-through payments (66 FR 59904). Effective with implementation of the 2002 OPPS update on April 1, 2002, we deduct from the pass-through payments for those devices an amount that offsets the portion of the otherwise applicable APC payment amount that we determined is associated with the device, as required

by section 1833(t)(6)(D)(ii) of the Act. In the March 1, 2002 final rule, we published the applicable offset amounts for 2002, which we had recalculated to reflect certain device cost assignments that were corrected in the same final rule (67 FR 9557).

For the 2003 OPPS update, we propose to estimate the portion of each APC rate that could reasonably be attributed to the cost of an associated pass-through device that is eligible for pass-through payment using claims data for services furnished between July 1, 2001 through December 31, 2001. We propose to use only the last 6 months of 2001 claims data because bills for pass-through devices submitted during this time period would use only device category codes, allowing a more consistent analysis than would result were we to include pre-July 1 claims that might still show item-specific codes for pass-through devices. Using these claims, we would calculate a median cost for every APC without packaging the costs of associated C-codes for device categories that were billed with the APC. We would then calculate a median cost for every APC with the costs of associated C-codes for device categories that were billed with the APC packaged into the median. Comparing the median APC cost minus device packaging by the median APC cost including device packaging would allow us to determine the percentage of the median APC cost that is attributable to associated pass-through devices. By applying these percentages to the median APC cost, we would determine the applicable offset amount. Table 9 shows the offsets that we propose be applied in 2003 to each APC that contains device costs. APCs were included for offsets if their device costs comprised at least 1 percent of the APC's costs. (However, if any APC's calculated offset had been less than 1 dollar, that APC and offset would not have been included.)

TABLE 9.—PROPOSED OFFSETS TO BE APPLIED FOR EACH APC THAT CONTAINS DEVICE COSTS

| APC | Description | APC percent attributed to devices | Device related cost to be subtracted from pass-through payment |
|---|---|---|---|
| 0032 | Insertion of Central Venous/Arterial Catheter | 6.12 | $22.73 |
| 0046 | Open/Percutaneous Treatment Fracture or Dislocation | 1.06 | 16.00 |
| 0048 | Arthroplasty with Prosthesis | 5.78 | 111.02 |
| 0051 | Level III Musculoskeletal Procedures Except Hand and Foot | 1.24 | 21.95 |
| 0052 | Level IV Musculoskeletal Procedures Except Hand and Foot | 3.05 | 67.21 |
| 0080 | Diagnostic Cardiac Catheterization | 4.36 | 80.82 |
| 0081 | Non-Coronary Angioplasty or Atherectomy | 7.29 | 86.03 |
| 0082 | Coronary Atherectomy | 47.58 | 1,866.34 |
| 0083 | Coronary Angioplasty and Percutaneous Valvuloplasty | 20.08 | 499.51 |
| 0085 | Level II Electrophysiologic Evaluation | 10.22 | 168.87 |
| 0086 | Ablate Heart Dysrhythm Focus | 20.36 | 462.74 |
| 0087 | Cardiac Electrophysiologic Recording/Mapping | 15.19 | 45.90 |
| 0088 | Thrombectomy | 4.08 | 72.06 |
| 0089 | Insertion/Replacement of Permanent Pacemaker and Electrodes | 68.56 | 3,883.80 |
| 0090 | Insertion/Replacement of Pacemaker Pulse Generator | 64.17 | 2,574.81 |
| 0091 | Level II Vascular Ligation | 1.75 | 24.60 |
| 0093 | Vascular Repair/Fistula Construction | 1.63 | 22.29 |
| 0104 | Transcatheter Placement of Intracoronary Stents | 40.26 | 1,522.67 |
| 0105 | Revision/Removal of Pacemakers, AICD, or Vascular | 5.79 | 57.64 |
| 0106 | Insertion/Replacement/Repair of Pacemaker and/or Electrodes | 18.05 | 274.40 |
| 0107 | Insertion of Cardioverter-Defibrillator | 83.18 | 7,852.32 |
| 0108 | Insertion/Replacement/Repair of Cardioverter-Defibrillator Leads | 82.11 | 9,936.93 |
| 0109 | Removal of Implanted Devices | 1.70 | 6.79 |
| 0115 | Cannula/Access Device Procedures | 7.22 | 88.17 |
| 0119 | Implantation of Devices | 13.61 | 183.19 |
| 0122 | Level II Tube changes and Repositioning | 2.21 | 4.47 |
| 0124 | Revision of Implanted Infusion Pump | 9.82 | 119.87 |
| 0142 | Small Intestine Endoscopy | 1.03 | 4.40 |
| 0151 | Endoscopic Retrograde Cholangio-Pancreatography (ERCP) | 2.71 | 25.69 |
| 0152 | Percutaneous Abdominal and Biliary Procedures | 9.96 | 32.01 |
| 0153 | Peritoneal and Abdominal Procedures | 1.69 | 22.84 |
| 0154 | Hernia/Hydrocele Procedures | 2.66 | 37.33 |
| 0167 | Level III Urethral Procedures | 11.54 | 162.95 |
| 0168 | Level II Urethral Procedures | 5.20 | 65.18 |
| 0179 | Urinary Incontinence Procedures | 34.30 | 1,449.96 |
| 0182 | Insertion of Penile Prosthesis | 42.39 | 1,847.50 |
| 0202 | Level VIII Female Reproductive Proc | 10.67 | 216.92 |
| 0222 | Implantation of Neurological Device | 65.75 | 4,806.58 |
| 0223 | Implantation of Pain Management Device | 11.54 | 121.84 |
| 0225 | Implantation of Neurostimulator Electrodes | 33.33 | 770.87 |
| 0226 | Implantation of Drug Infusion Reservoir | 70.33 | 1,616.75 |
| 0227 | Implantation of Drug Infusion Device | 75.38 | 5,019.34 |
| 0229 | Transcatherter Placement of Intravascular Shunts | 46.89 | 1,194.96 |
| 0245 | Level I Cataract Procedures without IOL Insert | 3.24 | 24.25 |
| 0246 | Cataract Procedures with IOL Insert | 1.20 | 14.72 |
| 0259 | Level III ENT Procedures | 75.29 | 11,396.81 |
| 0279 | Level II Angiography and Venography except Extremity | 1.56 | 6.82 |
| 0280 | Level III Angiography and Venography except Extremity | 5.02 | 40.49 |
| 0281 | Venography of Extremity | 1.39 | 3.78 |

TABLE 9.—PROPOSED OFFSETS TO BE APPLIED FOR EACH APC THAT CONTAINS DEVICE COSTS—Continued

| APC | Description | APC percent attributed to devices | Device related cost to be subtracted from pass-through payment |
|---|---|---|---|
| 0297 | Level II Therapeutic Radiologic Procedures | 1.91 | 7.75 |
| 0656 | Transcatheter placement of drug eluting stents | 54.15 | 2668.28 |
| 0670 | Intravenous and Intracardiac Ultrasound | 51.03 | 392.26 |
| 0680 | Insertion of Patient Activated Event Recorders | 68.48 | 1,850.24 |
| 0681 | Knee Arthroplasty | 64.57 | 5,310.69 |
| 0684 | Prostate Brachytherapy | 67.49 | 3631.89 |
| 0686 | Level III Skin Repair | 4.00 | 23.51 |
| 0687 | Revision/Removal of Neurostimulator Electrodes | 1.50 | 15.21 |
| 0688 | Revision/Removal of Neurostimulator Pulse Generator Receiver | 22.15 | 352.28 |
| 0693 | Level II Breast Reconstruction | 1.00 | 20.44 |
| 0981 | New Technology—Level XII ($2000—$2500) | 13.32 | 299.70 |

2. Devices Paid With Multiple Procedures

As explained above, under section 1833(t)(6)(D)(ii) of the Act, the amount of additional payment for a device eligible for pass-through payment is the amount by which the hospital's cost exceeds the portion of the otherwise applicable APC payment amount that the Secretary determines is associated with the device. Thus, for devices eligible for pass-through payment, we reduce the pass-through payment amount by the cost attributable to the device that is already packaged into the APC payment for an associated procedure. For 2002, we developed offset amounts, for 59 APCs (March 1, 2002 final rule, 67 FR 9556 through 9557, Table 1).

In our November 30, 2001 final rule (66 FR 59856), we articulated a policy regarding the calculation of the offsets for device costs already reflected in APCs in cases where the payment for the associated APC is reduced due to the multiple procedure discount. The policy was in response to several commenting parties that recommended that we apply the multiple procedure discount only to the non-device-related portion of the APC payment amount (66 FR 59906).

We agreed with the commenters that the full pass-through offset should not be applied when the APC payment is subject to the multiple procedure discount of 50 percent.

The purpose of the offset is to ensure that the OPPS is not making double payments for any portion of the cost associated with the use of the pass-through item. We stated in the November 30, 2001 rule that the offset should reflect that portion of the cost for the pass-through device actually reflected in the payment that is received for the associated APC. We consequently ruled that the most straightforward methodology for applying this principle is to reduce the amount of the offset amount by 50 percent whenever the multiple procedure discount applies to the associated APC. This discounting of the offset is applied in 2002 to bills subject to multiple procedure discounting that also include devices eligible for pass-through payment.

The significant number of device categories that are expiring in 2003 combined with our proposal to package 100 percent of device costs into their associated APCs has prompted us to revisit the current policy of reducing offsets for pass-through devices in instances when multiple procedure discounts are applied to procedures associated with pass-through device categories. In order to determine the impact of multiple procedure discounting on APCs with full packaging of device costs, we reviewed the median costs of all APCs after incorporation of device costs and arrayed them in order of descending median cost. We also determined the contribution (in absolute dollars and as a percentage) of device costs to the median costs of each APC. We did this by examining claims submitted during the last 6 months of 2001 during which only device category codes were used to bill for pass-through devices because those were the only claims where we could specifically identify the contribution of device costs to the cost of each APC.

We then determined which APCs containing devices would be billed together. For example, the APC for insertion of a pacemaker would not be billed with the APC for insertion of neurostimulator electrodes, whereas the APC for coronary stent placement might be billed with the APC for coronary angioplasty. We next determined, based on median cost data, which device containing APCs would be subject to the 50 percent multiple procedure reduction. After identifying these APCs, we applied a 50 percent reduction to arrive at a discounted payment amount. We then reviewed the contribution of device costs to the discounted APC both as a percentage and in absolute dollars to determine if applying the 50 percent reduction would result in underpayment for the service. We determined that the reduced payment was adequate to pay both for the devices incorporated into the APC and for the procedure cost in the context of performing multiple procedures. We obtained the same results even when we overstated device costs in our model by 5 or 10 percent to offset concerns expressed by some manufacturers and physicians that hospital charges for transitional pass-through devices may be understated.

To illustrate this analysis, assume APCs 0104 and 0083 are billed together. The median cost of APC 0104 is $3,960 with 40 percent of the cost attributable to devices. The median cost of APC 0083 is $2,605 with 20 percent of its cost attributable to devices. Under our existing multiple procedure discount payment rules, APC 0104 would be paid at 100 percent, and APC 0083 would be paid at 50 percent. This means that payment for APC 0083 would be $1,302 of which $520 (20 percent of $2,605) is attributable to devices. We believe this total payment accounts for the costs of the devices and the costs of the procedure when it is performed in conjunction with APC 0104.

We note that almost all APCs with high device costs (such as insertion of pacemakers, insertion of cardioverter-defibrillators, insertion of infusion pumps and neurostimulator electrodes) would never be subject to a multiple procedure discount. They have the highest relative weights in the OPPS,

and we would not expect these procedures to be performed during the same operative session with a higher paying procedure with status indicator ''T.'' Therefore, we propose to continue our current policy of multiple procedure discounting. That is, when two or more APCS with status indicator ''T'' are billed together we propose to pay 100 percent for the highest cost APC and 50 percent for all other APCs with status indicator ''T.'' We propose not to adjust these payments to account for device costs in the APCs.

*F. Outpatient Billing For Dialysis*

Currently, hospitals are unable to bill for dialysis treatments furnished to End-Stage Renal Disease (ESRD) patients on an outpatient basis, unless the hospital also has a certified hospital-based ESRD facility. As a result of this policy, there has been an increase in denials by the PROs for inappropriate hospital admissions.

When ESRD patients come to the hospital for a medical emergency or for problems with their access sites, they typically miss their regularly scheduled dialysis appointments. If the ESRD patient's usual facility is unable to reschedule the dialysis treatment, the beneficiary has to wait until the next scheduled dialysis appointment. CMS is concerned that by maintaining this policy, beneficiaries may be receiving interrupted care because there will be unnecessary lapses in treatment. The ESRD patient should not be prevented from receiving her or his normal dialysis because he or she experienced another unrelated medical situation. Therefore, we propose to allow payment for dialysis treatments for ESRD patients in the outpatient department of a hospital in specific situations. Payment would be limited to unscheduled dialysis for ESRD patients in exceptional circumstances. Outpatient dialysis for acute patients would not be included in this payment mechanism.

We propose to limit this payment to medical situations in which the ESRD patient cannot obtain her or his regularly scheduled dialysis treatment at a certified ESRD facility. Situations that we propose to allow are limited to: (1) dialysis performed following or in connection with a vascular access procedure; (2) dialysis performed following treatment for an unrelated medical emergency. For example, if a patient goes to the emergency room for chest pains and misses a regularly scheduled dialysis treatment that cannot be rescheduled, we would allow the hospital to provide and bill Medicare for the dialysis treatment; and (3) emergency dialysis—Currently, the only mechanism available for payment in this situation is through an inpatient admission. We will maintain our policy that routine treatments in non-ESRD certified hospitals would not be payable under OPPS.

We believe it is important to make this change in policy for two reasons: (1) to ensure that hospital outpatient departments are paid for providing this much needed service; and (2) to prevent dialysis patients from receiving interrupted care. Non-ESRD certified hospital outpatient facilities would bill Medicare using a new G code, G0GGG, ''Unscheduled or emergency treatment for dialysis for ESRD patient in the outpatient department of a hospital that does not have a certified ESRD facility.'' We propose that this new code will have status indicator ''S'' and be assigned to APC 0170. Payment would be roughly equivalent to the reimbursement rate for acute dialysis. We propose to implement this change effective January 1, 2003. Effective January 1, 2003, this would be the only way for non-ESRD certified hospital outpatient facilities to bill Medicare and be paid for providing outpatient dialysis to ESRD beneficiaries.

CMS will be monitoring the use of this new code to ensure that (1) certified dialysis facilities are not incorrectly using this code; and (2) the same dialysis patient is not repeatedly using this code, which would indicate routine dialysis treatment.

When ESRD patients receive outpatient dialysis in non-ESRD certified hospital outpatient facilities, the patient's home facility would be responsible for obtaining and reviewing the patient's medical records to ensure that appropriate care was provided in the hospital and that modifications are made, if necessary, to the patient's plan of care upon her or his return to the facility. This ensures continuity of care for the patient.

## IX. Summary of and Responses to MedPAC Recommendations

The Medicare Payment Advisory Commission (MedPAC) in its March 2002 Report to the Congress: ''Medicare Payment Policy,'' makes a number of recommendations relating to the OPPS. This section provides responses to those recommendations.

*Recommendation:* For calendar year 2003, the Secretary should increase the payment rates for services covered by the OPPS by the rate of increase in the hospital market basket.

*Response:* Section 1833(t)(3)(C)(ii) of the Act requires the Secretary to update the conversion factor annually. Under section 1833(t)(3)(C)(iv) of the Act, the update is equal to the hospital market basket percentage increase applicable under the hospital inpatient PPS, minus one percentage point for the years 2000 and 2002. The Secretary has the authority under section 1833(t)(3)(C)(iv) of the Act to substitute a market basket that is specific to hospital outpatient services. In the September 8, 1998 proposed rule on the OPPS, we indicated that we were considering the option of developing an outpatient-specific market basket and invited comments on possible sources of data suitable for constructing one (63 FR 47579). We received no comments in response to this invitation, and we therefore announced in the April 7, 2000 final rule that we would update the conversion factor by the hospital inpatient market basket increase, minus one percentage point, for the years 2000, 2001, and 2002 (65 FR 18502). (As required by section 401(c) of the BIPA, we made payment adjustments effective April 1, 2001 under a special payment rule that had the effect of providing a full market basket update in 2001.) For 2003, we propose to increase payment rates by the rate of increase in the hospital market basket.

*Recommendation:* The Congress should—

- Replace hospital-specific payments for pass-through devices with national rates.
- Give the Secretary authority to consider alternatives to average wholesale price (AWP) when determining payments for pass-through drugs and biologicals.

*Response:* Regarding the pricing of transitional pass-through devices, we share the Commission's concern that the current methodology provides incentives for hospitals to inflate charges for transitional pass-through devices to increase payments. However, we believe that alternative approaches are not necessarily superior. Further, the salience of this problem should be much less in the future.

At present, the payment for a transitional pass-through device is set, on a claim-by-claim basis, relative to the hospital's charge for that device. The charge is reduced to a measure of cost by application of a hospital-specific cost-to-charge ratio, and a subtraction is made to reflect the portion of device costs already recognized in the payment for the associated procedure APC. This procedure means that a higher charge by a hospital will result in a higher payment from Medicare. The Commission notes that this method embodies an incentive for hospitals, perhaps prompted by manufacturers, to increase charges as a means of

increasing payments. The Commission is concerned that this situation may lead to excessive payments and may bias the charges used to revise, from year to year, relative weights in the OPPS.

In fact, the extent to which hospitals raising their charges on devices is problematic depends on the outcomes. In general, we anticipate that hospital charge structures, on average, reflect their costs; this assumption helps support the use of charge data to revise relative weights in hospital prospective payment systems. Accordingly, whether payments to hospitals for transitional pass-through devices might be considered excessive depends on whether hospitals inflate charges beyond the levels appropriate to recover their costs. Whether their behavior leads to biases in charge data depends on whether they set charges on transitional pass-through devices significantly differently than on other services.

Moving to a fee schedule for transitional pass-through devices would remove the particular incentive problem that the Commission noted, which we agree would be desirable. However, the establishment of appropriate national rates would then become the focus. In the absence of field data on actual costs, we will be inevitably reliant on information that manufacturers provide. At present, manufacturers are asked for information about prices on applications for pass-through status. Anecdotal information suggests this information is not fully reliable as a measure of what hospitals actually pay.

The Commission's report discusses the possibility of CMS setting the rate for a device based on analysis of the manufacturer's costs, including an appropriate rate of return on equity. This approach would confront a number of accounting, legal, and operational difficulties.

- First, it would take some time to complete the analysis for a new product, which could significantly delay establishment of a rate. The rate that would be used in the meantime, or whether billing would be permitted at all, would be open to question.
- Second, it appears that large firms with multiple product lines supply most devices, which would make determining the costs of a particular device difficult. This problem would be compounded when multiple enterprises are involved in bringing a product to market, which is not uncommon in the device industry, where invention and initial development may occur in one firm and final development, manufacturing, and marketing in another.
- Third, the government generally does not have access to manufacturers cost information. While legal authority could be enhanced, manufacturers would face incentives that raise questions about the reliability of information provided, and the need for government accounting and auditing resources would be high.
- Fourth, as the Commission's report notes, an appropriate rate of return on equity would have to be established.
- Fifth, devices are now paid, under BIPA, on the basis of categories. As a result, if a manufacturer brings to market a product that fits the description of a category, hospitals can bill for that manufacturer's product without any change in coding or notification of CMS. Consequently, we do not know what specific devices are actually being billed in these categories, or who manufactures them. Whatever rate might be established on the basis of an initial application for a category would presumably be based on the applicant's costs. Later entrants might have significantly different cost structures, but this information would not come into account unless a more elaborate process was implemented to include it.

Finally, whether a rate set in this fashion would pay less or more than the current method is unclear. The current method is based on actual experience in the field, and it will reflect, though perhaps somewhat tenuously, whatever competitive market pressures exist. Any method that we use aimed at ensuring a more reliable price could yield a price that is too high, since it will not reflect market activity. Whether a rate set by *ex ante* analysis of this sort would produce superior results does not appear obvious.

The Commission's report also mentions the possibility of using competitive bidding to set rates for transitional pass-through devices. While competitive bidding appears attractive as a means of setting a market-related price, it has not proven an easy process for Medicare to implement. Competitive bidding seems best suited for established products with multiple suppliers. However, transitional pass-through devices are by definition new to the market and will frequently have only one manufacturer, at least at the start of the 2 to 3 year transitional pass-through period. Even in those instances in which this technique would be possible, it involves a fair amount of administrative resources and time, and using it to establish a rate that will be used at the most for 3 years does not appear to be an effective use of resources.

Both of the suggestions discussed above reflect procedures that involve relatively high overhead on the part of CMS and of other actors. It is not obvious whether either would produce results that are superior to those derived from the present method. While they would change incentives on hospitals, incentives of manufacturers would still be a source of concern. We agree with the Commission that further investigation would be necessary to determine a feasible alternative to cost-based pass-through payments.

In considering the advantages of various approaches, it is important to keep the size of the problem in mind, especially when contemplating procedures for setting rates that would involve substantial administrative resources. As of July 1, 2002, the OPPS pays for 100 categories of devices. As is explained in section III.C of this preamble, we are proposing that 95 categories will lose pass-through status and be retired as of January 1, 2003.[3] Since the initial categories were established in April 2001, we have added only three categories. While several applications are pending, given the extensiveness of the existing categories, it appears likely that the number of new categories to be established in future years will be small.[4] The likely volume of claims represented by these new categories is of course speculative, but it also does not seem likely to be large relative to the size of the OPPS system. As discussed below, we developed criteria for the establishment of new categories that were specifically intended to limit future pass-through payments to devices that provide a substantial clinical improvement.

Considering that the identified alternatives do not appear to be manifestly superior to the current system but do involve significantly more administrative resources, and given the anticipated small volume of transitional pass-through devices in the future, we think on balance it would be best to let more experience develop with the current system before making significant changes to the current method.

However, we agree that it would be desirable to give the Secretary authority

[3] In accord with the BBRA amendment that established the pass-through payment methodology, items are only eligible for pass-through payments for 2 to 3 years. After expiration of pass-through status, payments for devices described by these categories will be packaged into APC payments for the procedures with which they are used.

[4] If a new device arrives on the market that would have fit in a category formerly in use but subsequently retired, it will not be eligible for pass-through payment.

to use alternatives to AWP when determining payments for pass-through drugs and biologicals. At present, total payment for these items is governed by the general rule (section 1842(o) of the Act) for Medicare pricing of drugs, which requires they be paid at 95 percent of AWP. This rule also covers most drugs delivered ''incident to'' physicians' services in physicians' offices and elsewhere. The Congress is at present considering various changes to the AWP as the basis for Medicare payment for drugs, and if a change is adopted to this standard, it may be an appropriate standard for transitional pass-through drugs and biologicals as well.

*Recommendation:* The Secretary should do the following:

- Ensure additional payments are made only for new or substantially improved technologies that are expensive in relation to the applicable ambulatory payment classification rate.
- Avoid basing national rates only on reported costs.
- Ensure that the same broad principles guide payments for new technologies in the inpatient and outpatient payment systems.

*Response:* We agree that additional payments should be limited to items that have the greatest merit and that have high costs not well captured in the existing payment structure. The Commission notes that limiting the number of transitional pass-through items limits the burdens on hospitals and us; reduces the likelihood of exceeding the statutory cap on aggregate pass-through payment, necessitating a uniform reduction in transitional pass-through payments; and limits the redistribution of funds across hospitals that are low versus high users of transitional pass-through items. We agree with these points. On November 2, 2001, we published an interim final rule with comment period in the **Federal Register** (66 FR 55850 to 55857) that set forth criteria we will use to evaluate whether to establish new categories of devices in the future. These criteria include tests of whether a device is new, whether it represents a substantial medical improvement for Medicare beneficiaries, and whether its costs are high relative to the payments that would otherwise be made.

Section 1833(t)(6)(D) of the Act prescribes the method for setting payment for transitional pass-through drugs and devices. The issue of possible alternatives is discussed above.

We agree that the same principles should govern payments for new technologies in the inpatient and outpatient prospective payment systems. Criteria governing extra new technology payments in the IPPS were established in a final rule published in the **Federal Register** (66 FR 46902 to 46925) on September 7, 2001. The criteria have the same general form as those for the OPPS. They differ in some particulars, largely traceable to the difference of the two payment systems. In particular, the IPPS system pays on the basis of an episode of care. As a result, the bundle of payment is generally larger and hospitals are better able to absorb minor cost differences. Considering the impact of new technology on all costs of the episode is also pertinent. Consequently, the criteria for special payment for inpatient new technologies require examination of the net effect on costs of the entire episode (not just the added costs of a new technology), and the relative cost standard we established is somewhat more stringent than for the OPPS. We believe it is premature to judge whether it will make sense to make these criteria even closer in the future, as the Commission's discussion suggests.

## X. Summary of Proposed Changes for 2003

### *A. Changes Required by Statute*

We are proposing the following changes to implement statutory requirements:

- Add APCs, delete APCs, and modify the composition of some existing APCs.
- Recalibrate the relative payment weights of the APCs.
- Update the conversion factor and the wage index.
- Revise the APC payment amounts to reflect the APC reclassifications, the recalibration of payment weights, and the other required updates and adjustments.
- Cease transitional pass-through payments for drugs and biologicals (including blood and blood products) and devices (including brachytherapy), that will, on January 1, 2003, have been paid under transitional pass-through methodology for at least 2 years.

### *B. Additional Changes to OPPS and Payment Suspension Provisions*

We are proposing the following additional changes to the OPPS and Payment Suspension Provisions:

- Creation of new evaluation and management service codes for outpatient clinic and emergency department encounters for implementation no earlier than January 1, 2004.
- Changes to the list of services that we do not pay in outpatient departments because we define them as ''inpatient only'' procedures.
- Changes to our policy of nonpayment for procedures on the ''inpatient only'' list in special cases involving death or transfer before inpatient admission.
- Changes to our policy governing observation in cases of direct admission to observation.
- Changes to status indicators for HCPCS codes.
- Changes to our policies governing dialysis for ESRD patients and regarding partial hospitalization.

In addition, we are making changes to payment suspension policies.

### *C. Changes to the Regulations Text*

A. We propose to make the following changes to our regulations:

- Amend § 410.43(b) to add clinical social worker services (for the diagnosis and treatment of mental illnesses) that meet the requirements of section 1861(hh)(2) of the Act to the specified professional services that are separately covered and not paid as partial hospitalization services.
- Amend § 419.66(c)(1) to specify that we must establish a new category for a medical device if it is not described by any category previously in effect as well as an existing category.

## XI. Summary of Proposed Payment Suspension Provisions

In this rule, we propose to revise § 405.371 (c) to specify that we may suspend Medicare payments ''in whole or in part'' if a provider has failed to timely file an acceptable cost report. This provision is consistent with the existing provisions in § 405.371(a) governing the suspension of Medicare payments ''in whole or in part'' under certain conditions. We believe the Medicare program would benefit because immediate complete payment suspension can be disruptive to providers and may negatively affect the care of Medicare patients.

## XII. Collection of Information Requirements

Under the Paperwork Reduction Act of 1995, we are required to provide 60-day notice in the **Federal Register** and solicit public comment before a collection of information requirement is submitted to the Office of Management and Budget (OMB) for review and approval. In order to fairly evaluate whether an information collection should be approved by OMB, section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 requires that we solicit comment on the following issues:

- The need for the information collection and its usefulness in carrying out the proper functions of our agency.
- The accuracy of our estimate of the information collection burden.
- The quality, utility, and clarity of the information to be collected.
- Recommendations to minimize the information collection burden on the affected public, including automated collection techniques.

This rule does not impose information collection and recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995.

## XIII. Response to Public Comments

Because of the large number of items of correspondence we normally receive on a proposed rule, we are not able to acknowledge or respond to them individually. However, in preparing the final rule, we will consider all comments concerning the provisions of this proposed rule that we receive by the date and time specified in the **DATES** section of this preamble and respond to those comments in the preamble to that rule.

## XIV. Regulatory Impact Analysis

The regulatory impact analysis for this proposed rule consists of an impact analysis for the OPPS provisions and a regulatory impact statement for the provision for payment suspension for unfiled cost reports.

### *A. OPPS*

#### 1. General

We have examined the impacts of this proposed rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review) and the Regulatory Flexibility Act (RFA) (September 16, 1980 Pub. L. 96–354). Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects ($100 million or more annually).

We estimate the effects of the provisions that would be implemented by this proposed rule would result in expenditures exceeding $100 million in any 1 year. We estimate the total increase (from changes in the proposed rule as well as enrollment, utilization, and case mix changes) in expenditures under the OPPS for CY 2003 compared to CY 2002 to be approximately $1.372 billion. Therefore, this proposed rule is an economically significant rule under Executive Order 12866, and a major rule under 5 U.S.C. 804(2).

The RFA requires agencies to determine whether a rule will have a significant economic impact on a substantial number of small entities. For purposes of the RFA, small entities include small businesses, nonprofit organizations and government agencies. Most hospitals and most other providers and suppliers are small entities, either by nonprofit status or by having revenues of $6 to $29 million or less in any 1 year (see 65 FR 69432).

For purposes of the RFA we have determined that approximately 37 percent of hospitals and 98 percent of mental health practitioners would be considered small entities according to the Small Business Administration (SBA) size standards. We do not have data available to calculate the percentages of entities in the pharmaceutical preparation manufacturing, biological products, or medical instrument industries. For the pharmaceutical preparation manufacturing industry (NAICS 325412), the size standard is 750 or fewer employees and $67.6 billion in annual sales (1997 business census). For biological products (except diagnostic) (NAICS 325414) $5.7 billion and medical instruments (NAICS 339112), with $18.5 billion in annual sales, the standard is 50 or fewer employees (see the standards web site at *http://www.sba.gov/regulations/siccodes/).* Individuals and States are not included in the definition of a small entity.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 603 of the RFA. With the exception of hospitals located in certain New England counties, for purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area (MSA) and has fewer than 100 beds (or New England County Metropolitan Area (NECMA)). Section 601(g) of the Social Security Amendments of 1983 (Pub. L. 98–21) designated hospitals in certain New England counties as belonging to the adjacent NECMA. Thus, for purposes of the OPPS, we classify these hospitals as urban hospitals. We believe that the changes in this proposed rule would affect both a substantial number of rural hospitals as well as other classes of hospitals and that the effects on some may be significant. Therefore, we conclude that this proposed rule has a significant impact on a substantial number of small entities. However, the statute provides for small rural hospitals (of less than 100 beds) to be held harmless by the law and to continue to be paid at cost; therefore this proposed rule has no impact on them.

Unfunded Mandates

Section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in an expenditure in any 1 year by State, local, or tribal governments, in the aggregate, or by the private sector, of $110 million. This proposed rule would not mandate any requirements for State, local, or tribal governments. This proposed rule imposes no unfunded mandates on the private sector.

Federalism

Executive Order 13132 establishes certain requirements that an agency must meet when it publishes a proposed rule (and subsequent final rule) that imposes substantial direct costs on State and local governments, preempts State law, or otherwise has Federalism implications.

We have examined this proposed rule in accordance with Executive Order 13132, Federalism, and have determined that it will not have an impact on the rights, roles, and responsibilities of State, local or tribal governments. The impact analysis (see table 10) shows that payments to governmental hospitals (including State, local and tribal governmental hospitals) would increase by 5 percent under the proposed rule.

#### *2. Changes in this Proposed Rule*

We are proposing several changes to the OPPS that are required by the statute. We are required under section 1833(t)(3)(C)(ii) of the Act to update annually the conversion factor used to determine the APC payment rates. We are also required under section 1833(t)(9)(A) of the Act to revise, not less often than annually, the wage index and other adjustments. In addition, we must review the clinical integrity of payment groups and weights at least annually. Accordingly, in this proposed rule, we are updating the conversion factor and the wage index adjustment for hospital outpatient services furnished beginning January 1, 2003 as

we discuss in sections VI and IV, respectively, of this preamble. We are also proposing revisions to the relative APC payment weights based on claims data from January 1, 2001 through December 31, 2001. Finally, we are proposing to remove 95 devices and more than 200 drugs and biologicals from pass-through payment status.

Under this proposed rule, the change to the conversion factor as provided by statute would increase total OPPS payments by 3.5 percent in 2003. The changes to the wage index and to the APC weights (which incorporates the cessation of pass-through payments for many drugs and devices) do not increase OPPS payments because the OPPS is budget neutral. However, the wage index and APC weight changes do change the distribution of payments within the budget neutral system as shown in Table 10 and described in more detail in this section.

Alternatives Considered

Alternatives to the changes we propose and the reason that we did not choose to propose them are discussed throughout this proposed rule. Below we discuss options we considered when analyzing methodologies to appropriately recognize the costs of former pass-through items. For a more detailed discussion, see section III.C.1 regarding the expiration of pass-through payment for devices and section III.C.2 regarding the expiration of pass-through payment for drugs and biologicals.

Payment for Categories of Devices

We considered establishing separate APCs for categories of devices and paying for them separately. We did not propose this option because we believe that to the extent possible, hospital payment for procedures and visits should include all of the costs required to provide the procedures and visits.

A second option we considered involved (1) packaging some categories of devices into the procedures with which they were billed in 2001 and (2) paying the rest through separate APCs (as discussed in section III.C.). We did not propose this option because we believe that devices are routinely used in the services for which they are needed and therefore are consistently paid at the cost of providing the service. Furthermore, criteria that would provide a basis for some devices to be packaged and for others to be paid separately would have to be developed and approved, thereby further complicating an already complex payment system.

Payment for Drugs and Biologicals

We considered continuing to make separate payment for all drugs and biologicals through separate APCs. We did not propose to pay separately for all drugs through separate APCs because we believe that, to the extent possible, hospital payment for services should include all of the costs of the services. We believe that drugs should be packaged with the services in which they are furnished except when we determine that there is a valid reason to do otherwise. However, we recognize that (unlike the stability that exists with device usage with the applicable procedures) the use of drugs may vary widely depending upon patient and disease characteristics. Therefore, packaging payment for all drugs may, in some cases, provide inadequate payment for the services furnished. Where a hospital has a disproportionate share of patients who need greater amounts of expensive drugs, underpayment for the drugs needed by these patients could result in cessation of needed services. For the first year that we are ceasing transitional pass-through payment for drugs, we decided to proceed cautiously by proposing to pay separately for drugs when the cost per encounter was more than $150 or when special characteristics existed (for example, orphan drugs, blood products).

We also considered packaging the costs of all drugs into the cost of the associated procedures with which they were billed in 2001. We did not package all payment for drugs into the payment for the procedures because, while this packaging is ultimately our goal, we believe, for the reasons indicated above, that we need to proceed cautiously to ensure that we do not inadvertently threaten access to needed care.

Conclusion

It is clear that the changes in this proposed rule would affect both a substantial number of rural hospitals as well as other classes of hospitals, and the effects on some may be significant. Therefore, the discussion below, in combination with the rest of this proposed rule, constitutes a regulatory impact analysis.

The OPPS rates proposed for CY 2003 would have, overall, a positive effect for every category of hospital with the exception of children's hospitals, which are held harmless under the OPPS. The changes in the OPPS proposed for 2003 would result in an overall 3.5 percent increase in Medicare payments to hospitals, exclusive of outlier and transitional pass-through payments and transitional corridor payments. As described in the preamble, budget neutrality adjustments are made to the conversion factor and the weights to assure that the revisions in the wage index, APC groups, and relative weights do not affect aggregate payments. The impact of the wage and recalibration changes does vary somewhat by hospital group. Estimates of these impacts are displayed on Table 10.

The overall projected increase in payments for urban hospitals is slightly lower (2.5 percent) than the average increase for all hospitals (3.5 percent) while the increase for rural hospitals is significantly greater (7.6 percent) than the average increase. Rural hospitals gain 2.3 percent from the wage index change, and also gain 1.6 percent from APC changes. A discussion of the distribution of outlier payments that we project under this proposed rule can be found under section D below. Table 11 presents the outlier distribution that we expect to see under this proposed rule.

*3. Limitations of Our Analysis*

The distributional impacts represent the projected effects of the proposed policy changes, as well as statutory changes effective for 2003, on various hospital groups. We estimate the effects of individual policy changes by estimating payments per service while holding all other payment policies constant. We use the best data available but do not attempt to predict behavioral responses to our policy changes. In addition, we do not make adjustments for future changes in variables such as service volume, service mix, or number of encounters.

*4. Estimated Impacts of This Proposed Rule on Hospitals*

The OPPS is a budget neutral payment system under which the increase to the total payments made under OPPS is limited by the increase to the conversion factor set under the methodology in the statute. The impact tables show the redistributive effects of the wage index and APC changes. In some cases, under this proposed rule, hospitals would receive more total payment than in 2002 while in other cases they would receive less total payment than they received in 2002. The impact of this proposed rule would depend on a number of factors, most significant of which are the mix of services furnished by a hospital (for example, how the APCs for the hospital's most frequently furnished services would change) and the impact of the wage index changes on the hospital.

Column 4 in Table 10 represents the full impact on each hospital group of all

the changes for 2003. Columns 2 and 3 in the table reflect the independent effects of the proposed change in the wage index and the APC reclassification and recalibration changes, respectively. We excluded critical access hospitals (CAHs) from the analysis of the impact of the proposed 2003 OPPS rates that is summarized in Table 10. For that reason, the total number of hospitals included in Table 10 (4,551) is lower than in previous years. CAHs are excluded from the OPPS.

In general, the wage index changes favor rural hospitals, particularly the largest in bed size and volume. The only rural hospitals that would experience a negative impact due to wage index changes are those in Puerto Rico, a decrease of 2.8 percent. Conversely, the urban hospitals are generally negatively affected by wage index changes, with the largest decreases occurring in those with 300–499 beds (−0.7 percent) and those in the Middle Atlantic (−1.3 percent), Pacific (−.09 percent) and Puerto Rico Regions (−1.8 percent). However, this effect is somewhat lessened by the distribution of outlier payments as discussed in more detail below.

The APC reclassification and recalibration changes also favor rural hospitals and have a negative effect on urban hospitals in excess of 200 beds. Specifically, urban hospitals with 200–299 beds (−0.5 percent decrease), urban hospitals with 300–499 beds (−2.0 percent decrease) and urban hospitals in excess of 500 beds (a −1.9 percent decrease) all show a decrease attributed to APC recalibration. We believe this occurs as a result of our folding 75 percent of estimated pass-through device costs into APC payments in the 2002 OPPS. Specifically, a comparison of the relative payment weights proposed for 2003, as listed in Addendum A, with the final 2002 relative payment weights in the March 1, 2002 final rule shows a decrease in the weights for certain APCs in 2002 that included a fold-in of 75 percent of estimated pass-through device costs. We relied on cost information supplied by device manufacturers in estimating the device costs to be folded in when calculating the median APC costs for the 2002 OPPS, whereas the proposed 2003 relative payment weights are based on actual hospital charges and utilization under the OPPS as reported by hospitals. We believe this downward tendency in the payment weights for APCs that include device costs, based on actual hospital experience, accounts in part for the lower positive effect of the proposed 2003 rates on urban hospitals and on teaching hospitals, which tend to perform a higher number of procedures involving costly new technology devices, in contrast with an increased positive effect in 2003 on rural and non-teaching hospitals, which tend to furnish a higher volume of clinic and preventive services than procedures associated with expensive new technology devices.

In both urban and rural areas, hospitals that provide a lower volume of outpatient services are projected to receive a larger increase in payments than higher volume hospitals. In rural areas, hospitals with volumes of fewer than 5000 services are projected to experience a significant increase in payments (8.1 percent). The less favorable impact for the high volume urban hospitals is attributable to both wage index and APC changes. For example, urban hospitals providing more than 42,999 services are projected to gain a combined 1.6 percent due to these changes.

Major teaching hospitals are projected to experience a smaller increase in payments (1.7 percent) than the aggregate for all hospitals (3.5 percent) due to negative impacts of the wage index (−0.5 percent) and recalibration (−1.2 percent). Hospitals with less intensive teaching programs are projected to experience an overall increase (2.0 percent) that is smaller than the average for all hospitals. There is little difference in impact among hospitals with that serve low-income patients.

TABLE 10.—IMPACT OF CHANGES FOR CY 2003 HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM

[Percent change in total payment to hospitals (program and beneficiary); does not include the effects of outlier and transitional pass-through payments or of transitional corridor payments.]

| | Number of hospitals [1] (1) | New wage index [2] (2) | APC changes)[3] (3) | All CY 2003 changes [4] (4) |
|---|---|---|---|---|
| ALL HOSPITALS | 4,551 | 0.0 | 0.0 | 3.5 |
| NON-TEFRA HOSPITALS | 4,002 | 0.0 | −0.1 | 3.4 |
| URBAN HOSPS | 2,429 | −0.6 | −0.5 | 2.5 |
| LARGE URBAN (GT 1 MILL.) | 1,398 | −0.7 | −0.1 | 2.6 |
| OTHER URBAN (LE 1 MILL.) | 1,031 | −0.4 | −0.9 | 2.2 |
| RURAL HOSPS | 1,573 | 2.3 | 1.6 | 7.6 |
| BEDS (URBAN): | | | | |
| 0–99 BEDS | 554 | −0.3 | 3.1 | 6.4 |
| 100–199 BEDS | 882 | −0.6 | 1.4 | 4.3 |
| 200–299 BEDS | 488 | −0.6 | −0.5 | 2.3 |
| 300–499 BEDS | 364 | −0.7 | −2.0 | 0.7 |
| 500+ BEDS | 141 | −0.3 | −1.9 | 1.3 |
| BEDS (RURAL): | | | | |
| 0–49 BEDS | 754 | 0.4 | 2.9 | 7.0 |
| 50–99 BEDS | 479 | 1.5 | 2.3 | 7.6 |
| 100–149 BEDS | 201 | 2.4 | 1.5 | 7.6 |
| 150–199 BEDS | 73 | 5.5 | 0.1 | 9.5 |
| 200+ BEDS | 66 | 3.3 | 0.0 | 7.0 |
| VOLUME (URBAN): | | | | |
| LT 5,000 | 188 | 0.9 | 6.5 | 10.9 |
| 5,000–10,999 | 305 | −0.8 | 5.1 | 7.9 |
| 11,000–20,999 | 472 | −0.7 | 2.6 | 5.5 |
| 21,000–42,999 | 657 | −0.8 | 0.3 | 3.0 |
| GT 42,999 | 807 | −0.5 | −1.4 | 1.6 |
| VOLUME (RURAL): | | | | |
| LT 5,000 | 326 | 0.2 | 4.2 | 8.1 |
| 5,000–10,999 | 446 | 0.6 | 4.4 | 8.7 |

TABLE 10.—IMPACT OF CHANGES FOR CY 2003 HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM—Continued

[Percent change in total payment to hospitals (program and beneficiary); does not include the effects of outlier and transitional pass-through payments or of transitional corridor payments.]

| | Number of hospitals [1] (1) | New wage index [2] (2) | APC changes)[3] (3) | All CY 2003 changes [4] (4) |
|---|---|---|---|---|
| 11,000–20,999 | 373 | 1.3 | 2.7 | 7.7 |
| 21,000–42,999 | 290 | 1.9 | 1.4 | 6.9 |
| GT 42,999 | 138 | 4.3 | −0.2 | 7.8 |
| REGION (URBAN): | | | | |
| NEW ENGLAND | 127 | −0.6 | 0.6 | 3.4 |
| MIDDLE ATLANTIC | 372 | −1.3 | 0.2 | 2.3 |
| SOUTH ATLANTIC | 370 | −0.2 | −0.1 | 3.2 |
| EAST NORTH CENT. | 413 | −0.7 | −1.4 | 1.4 |
| EAST SOUTH CENT. | 153 | −0.6 | −1.0 | 1.9 |
| WEST NORTH CENT. | 172 | −0.3 | −1.6 | 1.6 |
| WEST SOUTH CENT. | 293 | 0.5 | −0.7 | 3.3 |
| MOUNTAIN | 122 | −0.4 | −1.1 | 1.9 |
| PACIFIC | 368 | −0.9 | 0.6 | 3.1 |
| PUERTO RICO | 39 | −1.8 | 4.7 | 6.4 |
| REGION (RURAL): | | | | |
| NEW ENGLAND | 40 | 1.6 | 1.3 | 6.5 |
| MIDDLE ATLANTIC | 63 | 2.2 | 1.3 | 7.2 |
| SOUTH ATLANTIC | 226 | 2.6 | 2.1 | 8.4 |
| EAST NORTH CENT. | 213 | 1.2 | −0.2 | 4.6 |
| EAST SOUTH CENT. | 232 | 2.3 | 2.6 | 8.7 |
| WEST NORTH CENT. | 271 | 2.0 | 0.9 | 6.6 |
| WEST SOUTH CENT. | 278 | 1.8 | 3.2 | 8.8 |
| MOUNTAIN | 141 | 4.1 | 1.3 | 9.2 |
| PACIFIC | 104 | 5.6 | 2.7 | 12.1 |
| PUERTO RICO | 5 | −2.8 | 10.4 | 11.1 |
| TEACHING STATUS: | | | | |
| NON-TEACHING | 2,935 | 0.4 | 1.1 | 5.0 |
| MINOR | 782 | −0.4 | −1.1 | 2.0 |
| MAJOR | 284 | −0.5 | −1.2 | 1.7 |
| DSH PATIENT PERCENT: | | | | |
| 0 | 11 | 4.9 | 10.1 | 19.4 |
| GT 0–0.10 | 982 | −0.2 | −0.4 | 3.0 |
| 0.10–0.16 | 873 | 0.7 | −0.8 | 3.4 |
| 0.16–0.23 | 767 | −0.6 | −0.3 | 2.6 |
| 0.23–0.35 | 756 | −0.2 | 0.1 | 3.4 |
| GE 0.35 | 613 | −0.1 | 2.2 | 5.8 |
| URBAN IME/DSH: | | | | |
| IME & DSH | 982 | −0.7 | −1.2 | 1.6 |
| IME/NO DSH | 0 | 0.0 | 0.0 | 0.0 |
| NO IME/DSH | 1,441 | −0.4 | 0.7 | 3.8 |
| NO IME/NO DSH | 6 | 5.4 | 9.8 | 19.7 |
| RURAL HOSP. TYPES: | | | | |
| NO SPECIAL STATUS | 610 | 0.7 | 2.7 | 7.1 |
| RRC | 167 | 4.2 | 0.2 | 8.2 |
| SCH/EACH | 507 | 1.5 | 2.7 | 7.8 |
| MDH | 199 | 0.8 | 2.1 | 6.6 |
| SCH AND RRC | 75 | 4.0 | 0.5 | 8.2 |
| TYPE OF OWNERSHIP: | | | | |
| VOLUNTARY | 2,440 | −0.1 | −0.4 | 3.1 |
| PROPRIETARY | 707 | −0.6 | 0.9 | 3.8 |
| GOVERNMENT | 855 | 0.7 | 0.7 | 5.0 |
| SPECIALTY HOSPITALS: | | | | |
| EYE AND EAR | 13 | −1.4 | 11.5 | 13.7 |
| TRAUMA | 153 | −0.3 | −1.5 | 1.6 |
| CANCER | 10 | 0.5 | −3.9 | 0.2 |
| TEFRA HOSPITALS (NOT INCLUDED ON OTHER LINES): | | | | |
| REHAB | 166 | 10.3 | 2.8 | 16.9 |
| PSYCH | 198 | 0.1 | 15.9 | 20.1 |
| LTC | 143 | 1.3 | 15.9 | 20.4 |
| CHILDREN | 42 | −1.4 | −2.8 | −0.9 |

**Note:** For CY 2003, under the OPPS transitional corridor policy, the following categories of hospitals are held harmless compared to their 1996 payment margin for these services: cancer and children's hospitals and rural hospitals with 100 or fewer beds.

[1] Some data necessary to classify hospitals by category were missing; thus, the total number of hospitals in each category may not equal the national total.

[2] This column shows the impact of updating the wage index used to calculate payment by applying the proposed FY 2003 hospital inpatient wage index after geographic reclassification by the Medicare Geographic Classification Review Board. The hospital inpatient proposed rule for FY 2003 was published in the FEDERAL REGISTER on May 9, 2002.

[3] This column shows the impact of changes resulting from the reclassification of HCPCS codes among APC groups and the recalibration of APC weights based on 2001 hospital claims data.

[4] This column shows changes in total payment from CY 2002 to CY 2003, excluding outlier and pass-through payments. It incorporates all of the changes reflected in columns 2 and 3. In addition, it shows the impact of the proposed CY 2003 payment update. The sum of the columns may be different from the percentage changes shown here due to rounding.

As stated elsewhere in this preamble, we propose to allocate 2 percent of the estimated 2003 expenditures to outlier payments. In Table 11 below, we provide a distribution by percentage of the total projected outlier payments for the categories of hospitals that we show in the impact table (Table 10).

We project, based on the mix of services for the hospitals that will be paid under the OPPS in 2003, that most hospitals will receive outlier payments. It appears that, with the exception of some smaller bed hospitals, all Tax Equity & Fiscal Responsibility Act of 1982 (TEFRA) hospitals can be expected to receive outlier payments. This is because TEFRA hospitals provide an atypical mix of specialty services (which account for less than 1 percent of total OPPS payment before consideration of outliers). A greater percentage of non-TEFRA hospitals are not projected to receive outlier payments.

The anticipated outlier payments for urban hospitals can be expected to ameliorate the impact of the wage index and APC changes on payments to urban hospitals.

TABLE 11.—DISTRIBUTION OF OUTLIER PAYMENTS FOR CY 2003 HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM

| | Number of hosps | Percent of total hosps | Number of hosps with outliers | Percent of total outlier payments |
|---|---|---|---|---|
| ALL HOSPITALS | 4,551 | 100.00 | 4,306 | 100.00 |
| NON-TEFRA HOSPITALS | 4,002 | 88.00 | 3,987 | 99.40 |
| URBAN HOSPS | 2,429 | 53.40 | 2,420 | 83.20 |
| LARGE URBAN (GT 1 MILL.) | 1,398 | 30.80 | 1,396 | 55.20 |
| OTHER URBAN (LE 1 MILL.) | 1,031 | 22.60 | 1,024 | 28.00 |
| RURAL HOSPS | 1,573 | 34.60 | 1,567 | 16.00 |
| BEDS (URBAN): | | | | |
| 0–99 BEDS | 554 | 12.20 | 550 | 6.80 |
| 100–199 BEDS | 882 | 19.40 | 877 | 18.20 |
| 200–299 BEDS | 488 | 10.80 | 488 | 16.20 |
| 300–499 BEDS | 364 | 8.00 | 364 | 21.00 |
| 500+ BEDS | 141 | 3.00 | 141 | 21.00 |
| BEDS (RURAL): | | | | |
| 0–49 BEDS | 754 | 16.60 | 751 | 4.20 |
| 50–99 BEDS | 479 | 10.60 | 477 | 5.00 |
| 100–149 BEDS | 201 | 4.40 | 200 | 2.60 |
| 150–199 BEDS | 73 | 1.60 | 73 | 2.00 |
| 200+ BEDS | 66 | 1.40 | 66 | 2.40 |
| VOLUME (URBAN): | | | | |
| LT 5,000 | 188 | 4.20 | 180 | 1.00 |
| 5,000–10,999 | 310 | 6.80 | 309 | 2.80 |
| 11,000–20,999 | 467 | 10.20 | 467 | 7.00 |
| 21,000–42,999 | 659 | 14.40 | 659 | 15.80 |
| GT 42,999 | 805 | 17.60 | 805 | 56.60 |
| VOLUME (RURAL): | | | | |
| LT 5,000 | 326 | 7.20 | 321 | 1.00 |
| 5,000–10,999 | 447 | 9.80 | 446 | 2.60 |
| 11,000–20,999 | 372 | 8.20 | 372 | 3.80 |
| 21,000–42,999 | 290 | 6.40 | 290 | 4.20 |
| GT 42,999 | 138 | 3.00 | 138 | 4.40 |
| REGION (URBAN): | | | | |
| NEW ENGLAND | 127 | 2.80 | 126 | 6.20 |
| MIDDLE ATLANTIC | 372 | 8.20 | 371 | 22.80 |
| SOUTH ATLANTIC | 370 | 8.20 | 369 | 11.00 |
| EAST NORTH CENT. | 413 | 9.00 | 409 | 15.60 |
| EAST SOUTH CENT. | 153 | 3.40 | 152 | 3.40 |
| WEST NORTH CENT. | 172 | 3.80 | 172 | 4.40 |
| WEST SOUTH CENT. | 293 | 6.40 | 292 | 8.20 |
| MOUNTAIN | 122 | 2.60 | 122 | 3.00 |
| PACIFIC | 368 | 8.00 | 368 | 8.60 |
| PUERTO RICO | 39 | 0.80 | 39 | 0.20 |
| REGION (RURAL): | | | | |
| NEW ENGLAND | 40 | 0.80 | 40 | 1.00 |
| MIDDLE ATLANTIC | 63 | 1.40 | 63 | 1.00 |
| SOUTH ATLANTIC | 226 | 5.00 | 223 | 3.00 |
| EAST NORTH CENT. | 213 | 4.60 | 212 | 3.00 |
| EAST SOUTH CENT. | 232 | 5.00 | 232 | 1.60 |
| WEST NORTH CENT. | 271 | 6.00 | 270 | 2.40 |
| WEST SOUTH CENT. | 278 | 6.20 | 278 | 1.60 |
| MOUNTAIN | 141 | 3.00 | 141 | 1.40 |
| PACIFIC | 104 | 2.20 | 103 | 1.20 |
| PUERTO RICO | 5 | 0.20 | 5 | 0.00 |
| TEACHING STATUS: | | | | |
| NON-TEACHING | 2,935 | 64.40 | 2,920 | 39.80 |

TABLE 11.—DISTRIBUTION OF OUTLIER PAYMENTS FOR CY 2003 HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM—Continued

| | Number of hosps | Percent of total hosps | Number of hosps with outliers | Percent of total outlier payments |
|---|---|---|---|---|
| MINOR | 782 | 17.20 | 782 | 27.20 |
| MAJOR | 284 | 6.20 | 284 | 32.20 |
| DSH PATIENT PERCENT: | | | | |
| 0 | 11 | 0.20 | 10 | 0.00 |
| GT 0—0.10 | 982 | 21.60 | 978 | 24.80 |
| 0.10—0.16 | 873 | 19.20 | 873 | 19.40 |
| 0.16—0.23 | 767 | 16.80 | 765 | 17.60 |
| 0.23—0.35 | 756 | 16.60 | 753 | 20.00 |
| GE 0.35 | 613 | 13.40 | 608 | 17.40 |
| URBAN IME/DSH: | | | | |
| IME & DSH | 982 | 21.60 | 982 | 57.20 |
| IME/NO DSH | 0 | 0.00 | 0 | 0.00 |
| NO IME/DSH | 1,441 | 31.60 | 1,433 | 26.00 |
| NO IME/NO DSH | 6 | 0.20 | 5 | 0.00 |
| RURAL HOSP. TYPES: | | | | |
| NO SPECIAL STATUS | 621 | 13.60 | 617 | 5.20 |
| RRC | 167 | 3.60 | 166 | 4.00 |
| SCH/EACH | 511 | 11.20 | 511 | 4.40 |
| MDH | 199 | 4.40 | 198 | 1.00 |
| SCH AND RRC | 75 | 1.60 | 75 | 1.40 |
| TYPE OF OWNERSHIP: | | | | |
| VOLUNTARY | 2,440 | 53.60 | 2,435 | 73.60 |
| PROPRIETARY | 707 | 15.60 | 702 | 10.40 |
| GOVERNMENT | 855 | 18.80 | 850 | 15.20 |
| SPECIALTY HOSPITALS: | | | | |
| EYE AND EAR | 13 | 0.20 | 13 | 0.20 |
| TRAUMA | 153 | 3.40 | 153 | 15.00 |
| CANCER | 10 | 0.20 | 10 | 3.80 |
| TEFRA HOSPITALS (NOT INCLUDED ON OTHER LINES): | | | | |
| REHAB | 166 | 3.60 | 113 | 0.20 |
| PSYCH | 198 | 4.40 | 65 | 0.20 |
| LTC | 143 | 3.20 | 100 | 0.20 |
| CHILDREN | 42 | 1.00 | 41 | 0.20 |

5. Estimated Impacts of This Proposed Rule on Beneficiaries

For services for which the beneficiary pays a coinsurance of 20 percent of the payment rate, the beneficiary share of payment would increase for services for which OPPS payments would rise and would decrease for services for which OPPS payments would fall. For example for a mid level office visit (APC 0601), the minimum unadjusted copayment in 2002 was $9.67; under this proposed rule, the minimum unadjusted copayment would be $10.82 because the OPPS payment for the service would increase under this proposed rule. For some services (those services for which a national unadjusted copayment amount is shown in Addendum B), however, the beneficiary copayment is frozen based on historic data and would not change, therefore not presenting any potential impact on beneficiaries.

However, in all cases, the statute limits beneficiary liability for copayment for a service to the inpatient hospital deductible for the applicable year. This amount was $812 for 2002, but is not yet determined for 2003. In general, the impact of this proposed rule on beneficiaries would vary based on the service the beneficiary receives and whether the copayment for the service is one that is frozen under the OPPS.

*B. Payment Suspension for Unfiled Cost Reports*

Overall Impact

We have examined the impacts of this proposed rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review), the Regulatory Flexibility Act (RFA) (September 16, 1980, Pub. L. 96–354), section 1102(b) of the Social Security Act, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4), and Executive Order 13132. (A description of each of these requirements is stated above in section XIV.A.1.) We have determined that the proposed payment suspension provision does not have an economic impact on Medicare payments or other payments to providers. We are proposing to allow the Secretary flexibility in payment suspensions, but we are not altering the final payment determination in any way. With the implementation of the various prospective payment systems, the majority of the payment to providers is based on the PPS methodology and not on the cost report. Suspending all payments because the cost report is not timely filed negatively affects providers. Providing the Secretary with flexibility in payment suspension can lessen the financial impact on providers. For these reasons, we are not preparing analyses for either the RFA or section 1102(b) of the Act because we have determined, and we certify, that this rule would not have a significant economic impact on a substantial number of small entities or a significant impact on the operations of a substantial number of small rural hospitals. Under the requirement for Unfunded Mandates, this proposed rule will not have an economic effect on State, local, or tribal governments, in the aggregate, or on the private sector.

Anticipated Effects

1. Effects on providers that file cost reports. The majority of providers that file cost reports comply with the timeliness provisions and will be unaffected by this proposed regulation.

In FY 2000, collectively 16 percent of hospitals, skilled nursing facilities, and home health agencies filed late cost reports. Of this 16 percent, 65 percent of those were only 1 day late. Currently, when a provider fails to file an acceptable cost report, the provider is placed on a complete payment suspension. Under this provision, for those providers who do not file timely, an immediate payment suspension less than the total suspension currently required might be imposed if the Secretary deemed it appropriate, which would allow the provider to more easily continue operations while completing and submitting the acceptable cost report.

2. Effects on other providers. The payment suspension provision does not affect other providers.

3. Effects on the Medicare Program. The provision would allow the Secretary to more effectively manage the Medicare program by imposing other than complete payment suspension when it is appropriate to do so. The Medicare program benefits because immediate complete payment suspension can be disruptive to providers and may negatively affect the care of Medicare patients. There are no costs to the Medicare program to doing so, because when the cost report is submitted, the suspended payments are returned to the provider.

4. Effects on Beneficiaries. We have determined that this provision has a potentially positive impact on beneficiaries. Under this proposed provision the Secretary will have the discretion to impose less than 100 percent payment suspension when a provider fails to timely file an acceptable cost report. Doing so will lessen the financial burden on the provider and thereby allow it to provide adequate services to its patient population as it works to complete and file an acceptable cost report.

Alternatives Considered

We considered not revising existing § 405.371(c) to provide that payment suspension could be ''in whole or in part''. However, we did not choose this option because we believe the Secretary should have the discretion to impose partial payment suspensions when circumstances warrant in order to more effectively manage the Medicare program.

Conclusion

In conclusion, we have determined that the proposed payment suspension provision does not have an economic impact on Medicare payments.

Federalism

Since this regulation does not impose any costs on State or local governments, it will not have an effect on State or local governments. State or local governments will have no roles or responsibilities associated with this provision.

In accordance with the provisions of Executive Order 12866, this regulation was reviewed by the Office of Management and Budget.

**List of Subjects**

*42 CFR Part 405*

Administrative practice and procedure, Health facilities, Health professions, Kidney diseases, Medicare, Reporting and recordkeeping requirements, Rural areas, X-rays.

*42 CFR Part 410*

Health facilities, Health professions, Kidney diseases, Laboratories, Medicare, Reporting and recordkeeping requirements, Rural areas, X-rays.

*42 CFR Part 419*

Hospitals, Medicare, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Centers for Medicare & Medicaid Services proposes to amend 42 CFR chapter IV as follows:

## PART 405—FEDERAL HEALTH INSURANCE FOR THE AGED AND DISABLED

### Subpart C—Suspension of Payment, Recovery of Overpayments, and Repayment of Scholarships and Loans

1. The authority citation for subpart C continues to read as follows:

**Authority:** Secs. 1102, 1815, 1833, 1842, 1866, 1870, 1871, 1879, and 1892 of the Social Security Act (42 U.S.C. 1302, 1395g, 1395l, 1395u, 1395cc, 1395gg, 1395hh, 1395pp, and 1395ccc) and 31 U.S.C. 3711.

2.Section 405.371(c) is revised to read as follows:

**§ 405.371 Suspension, offset and recoupment of Medicare payments to providers and suppliers of services.**

* * * * *

(c) Suspension of payment in the case of unfiled cost reports. If a provider has failed to timely file an acceptable cost report, payment to the provider is immediately suspended in whole or in part until a cost report is filed and determined by the intermediary to be acceptable. In the case of an unfiled cost report, the provisions of § 405.372 do not apply. (See § 405.372(a)(2) concerning failure to furnish other information.)

## PART 410—SUPPLEMENTARY MEDICAL INSURANCE (SMI) BENEFITS

1.The authority citation continues to read as follows:

**Authority:** Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

2. In 410.43 republish the introductory text of paragraph (b), and add a new paragraph (b)(6) to read as follows:

**§ 410.43 Partial hospitalization services: Conditions and exclusions.**

* * * * *

(b) The following services are separately covered and not paid as partial hospitalization services:

* * * * *

(6) Clinical social worker services that meet the requirements of section 1861(hh)(2) of the Act.

## PART 419—PROSPECTIVE PAYMENT SYSTEM FOR HOSPITAL OUTPATIENT DEPARTMENT SERVICES

1. The authority citation continues to read as follows:

**Authority:** Secs. 1102, 1833(t), and 1871 of the Social Security Act (42 U.S.C. 1302, 1395l(t), and 1395hh).

**§ 419.66 [Amended]**

2. In § 419.66, paragraph (c)(1) is amended by adding the phrase ''or by any category previously in effect'' after ''categories'' and before ''and'.

Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: July 31, 2002.

**Thomas A. Scully,**

*Administrator, Centers for Medicare & Medicaid Services.*

Approved: August 5, 2002.

**Tommy G. Thompson,**

*Secretary.*

BILLING CODE 4120–01–P

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0620 | Critical Care | S | 10.25 | $533.09 | $150.55 | $106.62 |
| 0656 | Transcatheter Placement of Drug-Eluting Coronary Stents | T | 90.90 | $4,927.70 | | $985.54 |
| 0657 | Placement of Tissue Clips | S | 1.38 | $71.77 | | $14.35 |
| 0658 | Percutaneous Breast Biopsies | T | 5.57 | $289.69 | | $57.94 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0001 | Level I Photochemotherapy | S | 0.43 | $22.36 | $7.88 | $4.47 |
| 0002 | Fine needle Biopsy/Aspiration | T | 0.63 | $32.77 | $8.52 | $6.55 |
| 0003 | Bone Marrow Biopsy/Aspiration | T | 1.24 | $64.49 | $27.08 | $12.90 |
| 0004 | Level I Needle Biopsy/Aspiration Except Bone Marrow. | T | 1.63 | $84.77 | $22.04 | $16.95 |
| 0005 | Level II Needle Biopsy /Aspiration Except Bone Marrow. | T | 3.02 | $157.07 | $69.11 | $31.41 |
| 0006 | Level I Incision & Drainage | T | 1.89 | $98.30 | $25.56 | $19.66 |
| 0007 | Level II Incision & Drainage | T | 9.44 | $490.96 | $103.10 | $98.19 |
| 0008 | Level III Incision and Drainage | T | 16.32 | $848.79 | | $169.76 |
| 0009 | Nail Procedures | T | 0.68 | $35.37 | $8.34 | $7.07 |
| 0010 | Level I Destruction of Lesion | T | 0.70 | $36.41 | $10.56 | $7.28 |
| 0011 | Level II Destruction of Lesion | T | 1.93 | $100.38 | $27.88 | $20.08 |
| 0012 | Level I Debridement & Destruction | T | 0.76 | $39.53 | $10.67 | $7.91 |
| 0013 | Level II Debridement & Destruction | T | 1.10 | $57.21 | $14.30 | $11.44 |
| 0015 | Level III Debridement & Destruction | T | 1.43 | $74.37 | $18.59 | $14.87 |
| 0016 | Level IV Debridement & Destruction | T | 2.57 | $133.66 | $56.14 | $26.73 |
| 0017 | Level VI Debridement & Destruction | T | 16.46 | $856.07 | $227.84 | $171.21 |
| 0018 | Biopsy of Skin/Puncture of Lesion | T | 0.92 | $47.85 | $15.79 | $9.57 |
| 0019 | Level I Excision/ Biopsy | T | 3.94 | $204.92 | $75.82 | $40.98 |
| 0020 | Level II Excision/ Biopsy | T | 7.36 | $382.79 | $114.84 | $76.56 |
| 0021 | Level III Excision/ Biopsy | T | 14.58 | $758.29 | $227.49 | $151.66 |
| 0022 | Level IV Excision/ Biopsy | T | 18.10 | $941.36 | $367.13 | $188.27 |
| 0023 | Exploration Penetrating Wound | T | 2.38 | $123.78 | $40.37 | $24.76 |
| 0024 | Level I Skin Repair | T | 2.00 | $104.02 | $37.45 | $20.80 |
| 0025 | Level II Skin Repair | T | 5.89 | $306.33 | $116.41 | $61.27 |
| 0027 | Level IV Skin Repair | T | 15.73 | $818.10 | $343.60 | $163.62 |
| 0028 | Level I Breast Surgery | T | 17.44 | $907.04 | $303.74 | $181.41 |
| 0029 | Level II Breast Surgery | T | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 0030 | Level III Breast Surgery | T | 40.23 | $2,092.32 | $763.55 | $418.46 |
| 0032 | Insertion of Central Venous/Arterial Catheter | T | 7.14 | $371.34 | | $74.27 |
| 0033 | Partial Hospitalization | P | 4.96 | $257.96 | | $51.59 |
| 0035 | Placement of Arterial or Central Venous Catheter | T | 0.24 | $12.48 | $3.74 | $2.50 |
| 0041 | Level I Arthroscopy | T | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 0042 | Level II Arthroscopy | T | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 0043 | Closed Treatment Fracture Finger/Toe/Trunk | T | 1.68 | $87.38 | | $17.48 |
| 0045 | Bone/Joint Manipulation Under Anesthesia | T | 13.47 | $700.56 | $280.22 | $140.11 |
| 0046 | Open/Percutaneous Treatment Fracture or Dislocation. | T | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 0047 | Arthroplasty without Prosthesis | T | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 0048 | Arthroplasty with Prosthesis | T | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 0049 | Level I Musculoskeletal Procedures Except Hand and Foot. | T | 19.45 | $1,011.58 | | $202.32 |
| 0050 | Level II Musculoskeletal Procedures Except Hand and Foot. | T | 23.60 | $1,227.41 | | $245.48 |
| 0051 | Level III Musculoskeletal Procedures Except Hand and Foot. | T | 34.03 | $1,769.87 | | $353.97 |
| 0052 | Level IV Musculoskeletal Procedures Except Hand and Foot. | T | 42.37 | $2,203.62 | | $440.72 |
| 0053 | Level I Hand Musculoskeletal Procedures | T | 14.76 | $767.65 | $253.49 | $153.53 |
| 0054 | Level II Hand Musculoskeletal Procedures | T | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 0055 | Level I Foot Musculoskeletal Procedures | T | 18.28 | $950.72 | $355.34 | $190.14 |
| 0056 | Level II Foot Musculoskeletal Procedures | T | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 0057 | Bunion Procedures | T | 23.87 | $1,241.45 | $496.58 | $248.29 |
| 0058 | Level I Strapping and Cast Application | S | 1.09 | $56.69 | $14.74 | $11.34 |
| 0060 | Manipulation Therapy | S | 0.36 | $18.72 | | $3.74 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0068 | CPAP Initiation | S | 1.59 | $82.69 | $45.48 | $16.54 |
| 0069 | Thoracoscopy | T | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 0070 | Thoracentesis/Lavage Procedures | T | 3.30 | $171.63 | | $34.33 |
| 0071 | Level I Endoscopy Upper Airway | T | 1.01 | $52.53 | $14.18 | $10.51 |
| 0072 | Level II Endoscopy Upper Airway | T | 1.66 | $86.33 | $37.99 | $17.27 |
| 0073 | Level III Endoscopy Upper Airway | T | 3.63 | $188.79 | $74.14 | $37.76 |
| 0074 | Level IV Endoscopy Upper Airway | T | 12.84 | $667.80 | $295.70 | $133.56 |
| 0075 | Level V Endoscopy Upper Airway | T | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 0076 | Endoscopy Lower Airway | T | 9.30 | $483.68 | $189.92 | $96.74 |
| 0077 | Level I Pulmonary Treatment | S | 0.26 | $13.52 | $7.44 | $2.70 |
| 0078 | Level II Pulmonary Treatment | S | 0.68 | $35.37 | $15.21 | $7.07 |
| 0079 | Ventilation Initiation and Management | S | 1.63 | $84.77 | $16.80 | $16.95 |
| 0080 | Diagnostic Cardiac Catheterization | T | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 0081 | Non-Coronary Angioplasty or Atherectomy | T | 22.69 | $1,180.08 | | $236.02 |
| 0082 | Coronary Atherectomy | T | 75.42 | $3,922.52 | $1,137.53 | $784.50 |
| 0083 | Coronary Angioplasty and Percutaneous Valvuloplasty. | T | 47.83 | $2,487.59 | | $497.52 |
| 0084 | Level I Electrophysiologic Evaluation | S | 9.60 | $499.29 | | $99.86 |
| 0085 | Level II Electrophysiologic Evaluation | T | 31.77 | $1,652.33 | $363.51 | $330.47 |
| 0086 | Ablate Heart Dysrhythm Focus | T | 43.70 | $2,272.79 | $772.75 | $454.56 |
| 0087 | Cardiac Electrophysiologic Recording/Mapping | T | 5.81 | $302.17 | | $60.43 |
| 0088 | Thrombectomy | T | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 0089 | Insertion/Replacement of Permanent Pacemaker and Electrodes. | T | 108.92 | $5,664.82 | $1,642.80 | $1,132.96 |
| 0090 | Insertion/Replacement of Pacemaker Pulse Generator. | T | 77.15 | $4,012.49 | $1,444.50 | $802.50 |
| 0091 | Level II Vascular Ligation | T | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 0092 | Level I Vascular Ligation | T | 24.97 | $1,298.66 | $505.37 | $259.73 |
| 0093 | Vascular Repair/Fistula Construction | T | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 0094 | Level I Resuscitation and Cardioversion | S | 2.68 | $139.38 | $47.39 | $27.88 |
| 0095 | Cardiac Rehabilitation | S | 0.66 | $34.33 | $16.73 | $6.87 |
| 0096 | Non-Invasive Vascular Studies | S | 1.82 | $94.66 | $48.15 | $18.93 |
| 0097 | Cardiac and Ambulatory Blood Pressure Monitoring | X | 0.84 | $43.69 | $23.80 | $8.74 |
| 0098 | Injection of Sclerosing Solution | T | 1.90 | $98.82 | $20.88 | $19.76 |
| 0099 | Electrocardiograms | S | 0.38 | $19.76 | | $3.95 |
| 0100 | Stress Tests and Continuous ECG | X | 1.34 | $69.69 | $38.33 | $13.94 |
| 0101 | Tilt Table Evaluation | S | 4.40 | $228.84 | $105.27 | $45.77 |
| 0103 | Miscellaneous Vascular Procedures | T | 11.26 | $585.62 | $210.82 | $117.12 |
| 0104 | Transcatheter Placement of Intracoronary Stents | T | 72.72 | $3,782.09 | | $756.42 |
| 0105 | Revision/Removal of Pacemakers, AICD, or Vascular | T | 19.14 | $995.45 | $370.40 | $199.09 |
| 0106 | Insertion/Replacement/Repair of Pacemaker and/or Electrodes. | T | 29.23 | $1,520.22 | $410.46 | $304.04 |
| 0107 | Insertion of Cardioverter-Defibrillator | T | 181.51 | $9,440.15 | $2,076.83 | $1,888.03 |
| 0108 | Insertion/Replacement/Repair of Cardioverter-Defibrillator Leads. | T | 232.69 | $12,101.97 | | $2,420.39 |
| 0109 | Removal of Implanted Devices | T | 7.68 | $399.43 | $131.49 | $79.89 |
| 0110 | Transfusion | S | 4.04 | $210.12 | | $42.02 |
| 0111 | Blood Product Exchange | S | 13.60 | $707.32 | $198.05 | $141.46 |
| 0112 | Apheresis, Photopheresis, and Plasmapheresis | S | 39.40 | $2,049.15 | $612.47 | $409.83 |
| 0113 | Excision Lymphatic System | T | 19.75 | $1,027.18 | | $205.44 |
| 0114 | Thyroid/Lymphadenectomy Procedures | T | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 0115 | Cannula/Access Device Procedures | T | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 0116 | Chemotherapy Administration by Other Technique Except Infusion. | S | 0.85 | $44.21 | | $8.84 |
| 0117 | Chemotherapy Administration by Infusion Only | S | 3.87 | $201.27 | $52.33 | $40.25 |
| 0118 | Chemotherapy Administration by Both Infusion and Other Technique. | S | 5.68 | $295.41 | $72.03 | $59.08 |
| 0119 | Implantation of Devices | T | 25.88 | $1,345.99 | | $269.20 |
| 0120 | Infusion Therapy Except Chemotherapy | T | 1.81 | $94.14 | $25.42 | $18.83 |
| 0121 | Level I Tube changes and Repositioning | T | 2.17 | $112.86 | $45.14 | $22.57 |
| 0122 | Level II Tube changes and Repositioning | T | 3.89 | $202.32 | $46.53 | $40.46 |
| 0123 | Bone Marrow Harvesting and Bone Marrow/Stem Cell Transplant. | S | 4.86 | $252.76 | | $50.55 |
| 0124 | Revision of Implanted Infusion Pump | T | 23.47 | $1,220.65 | | $244.13 |
| 0125 | Refilling of Infusion Pump | T | 1.73 | $89.98 | | $18.00 |
| 0130 | Level I Laparoscopy | T | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 0131 | Level II Laparoscopy | T | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 0132 | Level III Laparoscopy | T | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 0140 | Esophageal Dilation without Endoscopy | T | 5.84 | $303.73 | $107.24 | $60.75 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0141 | Upper GI Procedures | T | 7.82 | $406.71 | $150.48 | $81.34 |
| 0142 | Small Intestine Endoscopy | T | 8.21 | $426.99 | $152.78 | $85.40 |
| 0143 | Lower GI Endoscopy | T | 8.37 | $435.32 | $186.06 | $87.06 |
| 0146 | Level I Sigmoidoscopy | T | 3.47 | $180.47 | $64.40 | $36.09 |
| 0147 | Level II Sigmoidoscopy | T | 7.30 | $379.67 | $83.53 | $75.93 |
| 0148 | Level I Anal/Rectal Procedure | T | 3.61 | $187.75 | $67.59 | $37.55 |
| 0149 | Level III Anal/Rectal Procedure | T | 16.91 | $879.47 | $293.06 | $175.89 |
| 0150 | Level IV Anal/Rectal Procedure | T | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 0151 | Endoscopic Retrograde Cholangio-Pancreatography (ERCP). | T | 18.23 | $948.12 | $245.46 | $189.62 |
| 0152 | Percutaneous Abdominal and Biliary Procedures | T | 6.18 | $321.42 | $80.36 | $64.28 |
| 0153 | Peritoneal and Abdominal Procedures | T | 25.99 | $1,351.71 | $540.68 | $270.34 |
| 0154 | Hernia/Hydrocele Procedures | T | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 0155 | Level II Anal/Rectal Procedure | T | 10.05 | $522.69 | $188.17 | $104.54 |
| 0156 | Level II Urinary and Anal Procedures | T | 3.10 | $161.23 | $48.37 | $32.25 |
| 0157 | Colorectal Cancer Screening: Barium Enema | S | 2.73 | $141.98 | $22.19 | $28.40 |
| 0158 | Colorectal Cancer Screening: Colonoscopy | T | 7.56 | $393.19 | | $98.30 |
| 0159 | Colorectal Cancer Screening: Flexible Sigmoidoscopy | S | 2.48 | $128.98 | | $32.25 |
| 0160 | Level I Cystourethroscopy and other Genitourinary Procedures. | T | 6.44 | $334.94 | $105.06 | $66.99 |
| 0161 | Level II Cystourethroscopy and other Genitourinary Procedures. | T | 16.03 | $833.70 | $249.36 | $166.74 |
| 0162 | Level III Cystourethroscopy and other Genitourinary Procedures. | T | 21.50 | $1,118.19 | | $223.64 |
| 0163 | Level IV Cystourethroscopy and other Genitourinary Procedures. | T | 24.77 | $1,288.26 | | $257.65 |
| 0164 | Level I Urinary and Anal Procedures | T | 1.18 | $61.37 | $18.41 | $12.27 |
| 0165 | Level III Urinary and Anal Procedures | T | 12.62 | $656.35 | | $131.27 |
| 0166 | Level I Urethral Procedures | T | 15.63 | $812.90 | $218.73 | $162.58 |
| 0167 | Level III Urethral Procedures | T | 27.15 | $1,412.04 | $555.84 | $282.41 |
| 0168 | Level II Urethral Procedures | T | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 0169 | Lithotripsy | T | 46.44 | $2,415.30 | $1,115.69 | $483.06 |
| 0170 | Dialysis | S | 4.79 | $249.12 | | $49.82 |
| 0179 | Urinary Incontinence Procedures | T | 81.28 | $4,227.29 | $1,817.73 | $845.46 |
| 0180 | Circumcision | T | 18.95 | $985.57 | $304.87 | $197.11 |
| 0181 | Penile Procedures | T | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 0182 | Insertion of Penile Prosthesis | T | 83.80 | $4,358.35 | $1,438.26 | $871.67 |
| 0183 | Testes/Epididymis Procedures | T | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 0184 | Prostate Biopsy | T | 3.66 | $190.35 | $95.18 | $38.07 |
| 0187 | Miscellaneous Placement/Repositioning | X | 4.19 | $217.92 | $94.96 | $43.58 |
| 0188 | Level II Female Reproductive Proc | T | 1.12 | $58.25 | $11.95 | $11.65 |
| 0189 | Level III Female Reproductive Proc | T | 1.63 | $84.77 | $18.60 | $16.95 |
| 0190 | Surgical Hysteroscopy | T | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 0191 | Level I Female Reproductive Proc | T | 0.22 | $11.44 | $3.32 | $2.29 |
| 0192 | Level IV Female Reproductive Proc | T | 2.94 | $152.91 | $42.81 | $30.58 |
| 0193 | Level V Female Reproductive Proc | T | 14.57 | $757.77 | $171.13 | $151.55 |
| 0194 | Level VI Female Reproductive Proc | T | 18.88 | $981.93 | $397.84 | $196.39 |
| 0195 | Level VII Female Reproductive Proc | T | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 0196 | Dilation and Curettage | T | 16.32 | $848.79 | $338.23 | $169.76 |
| 0197 | Infertility Procedures | T | 1.19 | $61.89 | $24.76 | $12.38 |
| 0198 | Pregnancy and Neonatal Care Procedures | T | 1.33 | $69.17 | $32.92 | $13.83 |
| 0199 | Vaginal Delivery | T | 5.69 | $295.93 | $72.98 | $59.19 |
| 0200 | Therapeutic Abortion | T | 14.49 | $753.61 | $307.83 | $150.72 |
| 0201 | Spontaneous Abortion | T | 15.84 | $823.82 | $329.65 | $164.76 |
| 0202 | Level VIII Female Reproductive Proc | T | 39.09 | $2,033.03 | $996.18 | $406.61 |
| 0203 | Level IV Nerve Injections | T | 10.96 | $570.02 | $256.51 | $114.00 |
| 0204 | Level I Nerve Injections | T | 2.13 | $110.78 | $42.10 | $22.16 |
| 0206 | Level II Nerve Injections | T | 4.89 | $254.32 | $75.55 | $50.86 |
| 0207 | Level III Nerve Injections | T | 5.97 | $310.49 | $123.69 | $62.10 |
| 0208 | Laminotomies and Laminectomies | T | 39.95 | $2,077.76 | | $415.55 |
| 0209 | Extended EEG Studies and Sleep Studies, Level II | S | 12.09 | $628.79 | $280.58 | $125.76 |
| 0212 | Nervous System Injections | T | 3.53 | $183.59 | $84.45 | $36.72 |
| 0213 | Extended EEG Studies and Sleep Studies, Level I | S | 3.38 | $175.79 | $70.41 | $35.16 |
| 0214 | Electroencephalogram | S | 2.37 | $123.26 | $61.63 | $24.65 |
| 0215 | Level I Nerve and Muscle Tests | S | 0.60 | $31.21 | | $6.24 |
| 0216 | Level III Nerve and Muscle Tests | S | 3.06 | $159.15 | $71.62 | $31.83 |
| 0218 | Level II Nerve and Muscle Tests | S | 1.06 | $55.13 | | $11.03 |
| 0220 | Level I Nerve Procedures | T | 16.66 | $866.47 | | $173.29 |
| 0221 | Level II Nerve Procedures | T | 25.35 | $1,318.43 | $463.62 | $263.69 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0222 | Implantation of Neurological Device | T | 140.56 | $7,310.39 | | $1,462.08 |
| 0223 | Implantation of Pain Management Device | T | 20.30 | $1,055.78 | | $211.16 |
| 0224 | Implantation of Reservoir/Pump/Shunt | T | 39.14 | $2,035.63 | $453.41 | $407.13 |
| 0225 | Implantation of Neurostimulator Electrodes | T | 44.47 | $2,312.84 | | $462.57 |
| 0226 | Implantation of Drug Infusion Reservoir | T | 44.20 | $2,298.80 | | $459.76 |
| 0227 | Implantation of Drug Infusion Device | T | 128.03 | $6,658.71 | | $1,331.74 |
| 0228 | Creation of Lumbar Subarachnoid Shunt | T | 55.05 | $2,863.10 | $696.46 | $572.62 |
| 0229 | Transcatherter Placement of Intravascular Shunts | T | 49.00 | $2,548.44 | $662.59 | $509.69 |
| 0230 | Level I Eye Tests & Treatments | S | 0.78 | $40.57 | $15.82 | $8.11 |
| 0231 | Level III Eye Tests & Treatments | S | 2.24 | $116.50 | $52.43 | $23.30 |
| 0232 | Level I Anterior Segment Eye Procedures | T | 4.91 | $255.36 | $112.36 | $51.07 |
| 0233 | Level II Anterior Segment Eye Procedures | T | 13.43 | $698.48 | $266.33 | $139.70 |
| 0234 | Level III Anterior Segment Eye Procedures | T | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 0235 | Level I Posterior Segment Eye Procedures | T | 5.62 | $292.29 | $81.84 | $58.46 |
| 0236 | Level II Posterior Segment Eye Procedures | T | 20.62 | $1,072.43 | | $214.49 |
| 0237 | Level III Posterior Segment Eye Procedures | T | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 0238 | Level I Repair and Plastic Eye Procedures | T | 3.04 | $158.11 | $58.96 | $31.62 |
| 0239 | Level II Repair and Plastic Eye Procedures | T | 6.91 | $359.38 | $115.94 | $71.88 |
| 0240 | Level III Repair and Plastic Eye Procedures | T | 16.99 | $883.63 | $315.31 | $176.73 |
| 0241 | Level IV Repair and Plastic Eye Procedures | T | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 0242 | Level V Repair and Plastic Eye Procedures | T | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 0243 | Strabismus/Muscle Procedures | T | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 0244 | Corneal Transplant | T | 38.14 | $1,983.62 | $851.42 | $396.72 |
| 0245 | Level I Cataract Procedures without IOL Insert | T | 14.39 | $748.41 | $251.21 | $149.68 |
| 0246 | Cataract Procedures with IOL Insert | T | 23.59 | $1,226.89 | $495.96 | $245.38 |
| 0247 | Laser Eye Procedures Except Retinal | T | 4.97 | $258.48 | $108.56 | $51.70 |
| 0248 | Laser Retinal Procedures | T | 4.44 | $230.92 | $96.99 | $46.18 |
| 0249 | Level II Cataract Procedures without IOL Insert | T | 27.75 | $1,443.25 | $524.67 | $288.65 |
| 0250 | Nasal Cauterization/Packing | T | 1.68 | $87.38 | $30.58 | $17.48 |
| 0251 | Level I ENT Procedures | T | 1.92 | $99.86 | | $19.97 |
| 0252 | Level II ENT Procedures | T | 6.27 | $326.10 | $114.24 | $65.22 |
| 0253 | Level III ENT Procedures | T | 14.79 | $769.21 | $284.61 | $153.84 |
| 0254 | Level IV ENT Procedures | T | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 0256 | Level V ENT Procedures | T | 35.51 | $1,846.84 | | $369.37 |
| 0258 | Tonsil and Adenoid Procedures | T | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 0259 | Level VI ENT Procedures | T | 291.05 | $15,137.22 | $7,417.24 | $3,027.44 |
| 0260 | Level I Plain Film Except Teeth | X | 0.81 | $42.13 | $23.17 | $8.43 |
| 0261 | Level II Plain Film Except Teeth Including Bone Density Measurement. | X | 1.37 | $71.25 | $34.15 | $14.25 |
| 0262 | Plain Film of Teeth | X | 0.60 | $31.21 | $10.30 | $6.24 |
| 0263 | Level I Miscellaneous Radiology Procedures | X | 1.99 | $103.50 | $45.54 | $20.70 |
| 0264 | Level II Miscellaneous Radiology Procedures | X | 2.75 | $143.02 | $77.23 | $28.60 |
| 0265 | Level I Diagnostic Ultrasound Except Vascular | S | 1.04 | $54.09 | $29.75 | $10.82 |
| 0266 | Level II Diagnostic Ultrasound Except Vascular | S | 1.70 | $88.42 | $48.63 | $17.68 |
| 0267 | Level III Diagnostic Ultrasound Except Vascular | S | 2.58 | $134.18 | $65.52 | $26.84 |
| 0268 | Ultrasound Guidance Procedures | S | 1.48 | $76.97 | | $15.39 |
| 0269 | Level III Echocardiogram Except Transesophageal | S | 3.42 | $177.87 | $92.49 | $35.57 |
| 0270 | Transesophageal Echocardiogram | S | 5.65 | $293.85 | $146.79 | $58.77 |
| 0271 | Mammography | S | 0.69 | $35.89 | $16.80 | $7.18 |
| 0272 | Level I Fluoroscopy | X | 1.38 | $71.77 | $38.64 | $14.35 |
| 0274 | Myelography | S | 3.21 | $166.95 | $80.14 | $33.39 |
| 0275 | Arthrography | S | 3.09 | $160.71 | $69.09 | $32.14 |
| 0276 | Level I Digestive Radiology | S | 1.69 | $87.90 | $41.72 | $17.58 |
| 0277 | Level II Digestive Radiology | S | 2.50 | $130.02 | $60.47 | $26.00 |
| 0278 | Diagnostic Urography | S | 2.65 | $137.82 | $66.07 | $27.56 |
| 0279 | Level II Angiography and Venography except Extremity. | S | 8.41 | $437.40 | $174.57 | $87.48 |
| 0280 | Level III Angiography and Venography except Extremity. | S | 15.51 | $806.66 | $353.85 | $161.33 |
| 0281 | Venography of Extremity | S | 5.23 | $272.01 | $115.16 | $54.40 |
| 0282 | Miscellaneous Computerized Axial Tomography | S | 1.76 | $91.54 | $44.51 | $18.31 |
| 0283 | Computerized Axial Tomography with Contrast Material. | S | 4.75 | $247.04 | | $49.41 |
| 0284 | Magnetic Resonance Imaging and Magnetic Resonance Angiography with Contrast Material. | S | 7.74 | $402.55 | $201.02 | $80.51 |
| 0285 | Myocardial Positron Emission Tomography (PET) | S | 16.73 | $870.11 | $374.15 | $174.02 |
| 0286 | Myocardial Scans | S | 6.94 | $360.94 | $198.52 | $72.19 |
| 0287 | Complex Venography | S | 7.13 | $370.82 | $114.51 | $74.16 |
| 0288 | Bone Density:Axial Skeleton | S | 1.38 | $71.77 | | $14.35 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0289 | Needle Localization for Breast Biopsy | X | 1.84 | $95.70 | $44.80 | $19.14 |
| 0290 | Level I Diagnostic Nuclear Medicine Excluding Myocardial Scans. | S | 2.16 | $112.34 | $56.17 | $22.47 |
| 0291 | Level II Diagnostic Nuclear Medicine Excluding Myocardial Scans. | S | 4.19 | $217.92 | $108.96 | $43.58 |
| 0292 | Level III Diagnostic Nuclear Medicine Excluding Myocardial Scans. | S | 4.53 | $235.60 | $117.80 | $47.12 |
| 0294 | Level II Therapeutic Nuclear Medicine | S | 4.45 | $231.44 | $127.29 | $46.29 |
| 0295 | Level I Therapeutic Nuclear Medicine | S | 3.86 | $200.75 | $110.41 | $40.15 |
| 0296 | Level I Therapeutic Radiologic Procedures | S | 2.12 | $110.26 | $52.92 | $22.05 |
| 0297 | Level II Therapeutic Radiologic Procedures | S | 7.80 | $405.67 | $172.51 | $81.13 |
| 0299 | Miscellaneous Radiation Treatment | S | 6.20 | $322.46 | | $64.49 |
| 0300 | Level I Radiation Therapy | S | 1.53 | $79.57 | | $15.91 |
| 0301 | Level II Radiation Therapy | S | 2.22 | $115.46 | | $23.09 |
| 0302 | Level III Radiation Therapy | S | 10.17 | $528.93 | $200.99 | $105.79 |
| 0303 | Treatment Device Construction | X | 2.93 | $152.39 | $68.58 | $30.48 |
| 0304 | Level I Therapeutic Radiation Treatment Preparation | X | 1.69 | $87.90 | $41.52 | $17.58 |
| 0305 | Level II Therapeutic Radiation Treatment Preparation | X | 3.87 | $201.27 | $91.38 | $40.25 |
| 0310 | Level III Therapeutic Radiation Treatment Preparation. | X | 14.38 | $747.89 | $339.05 | $149.58 |
| 0312 | Radioelement Applications | S | 4.23 | $220.00 | | $44.00 |
| 0313 | Brachytherapy | S | 13.80 | $717.72 | | $143.54 |
| 0314 | Hyperthermic Therapies | S | 4.24 | $220.52 | $101.77 | $44.10 |
| 0320 | Electroconvulsive Therapy | S | 4.46 | $231.96 | $80.06 | $46.39 |
| 0321 | Biofeedback and Other Training | S | 1.27 | $66.05 | $21.78 | $13.21 |
| 0322 | Brief Individual Psychotherapy | S | 1.44 | $74.89 | $12.40 | $14.98 |
| 0323 | Extended Individual Psychotherapy | S | 1.95 | $101.42 | $21.26 | $20.28 |
| 0324 | Family Psychotherapy | S | 2.71 | $140.94 | | $28.19 |
| 0325 | Group Psychotherapy | S | 1.55 | $80.61 | $18.27 | $16.12 |
| 0330 | Dental Procedures | S | 0.64 | $33.29 | | $6.66 |
| 0332 | Computerized Axial Tomography and Computerized Angiography without Contrast Material. | S | 3.62 | $188.27 | $91.27 | $37.65 |
| 0333 | Computerized Axial Tomography and Computerized Angio w/o Contrast Material followed by Contrast. | S | 5.69 | $295.93 | $146.98 | $59.19 |
| 0335 | Magnetic Resonance Imaging, Miscellaneous | S | 6.46 | $335.98 | $151.46 | $67.20 |
| 0336 | Magnetic Resonance Imaging and Magnetic Resonance Angiography without Contrast. | S | 7.01 | $364.58 | $176.94 | $72.92 |
| 0337 | MRI and Magnetic Resonance Angiography without Contrast Material followed by Contrast Material. | S | 9.86 | $512.81 | $240.77 | $102.56 |
| 0339 | Observation | S | 7.60 | $395.27 | | $79.05 |
| 0340 | Minor Ancillary Procedures | X | 0.66 | $34.33 | | $6.87 |
| 0341 | Skin Tests and Miscellaneous Red Blood Cell Tests | X | 0.16 | $8.32 | $3.08 | $1.66 |
| 0342 | Level I Pathology | X | 0.23 | $11.96 | $5.88 | $2.39 |
| 0343 | Level II Pathology | X | 0.47 | $24.44 | $13.20 | $4.89 |
| 0344 | Level III Pathology | X | 0.66 | $34.33 | $18.54 | $6.87 |
| 0345 | Level I Transfusion Laboratory Procedures | X | 0.19 | $9.88 | $3.06 | $1.98 |
| 0346 | Level II Transfusion Laboratory Procedures | X | 0.42 | $21.84 | $5.46 | $4.37 |
| 0347 | Level III Transfusion Laboratory Procedures | X | 0.98 | $50.97 | $12.74 | $10.19 |
| 0348 | Fertility Laboratory Procedures | X | 0.83 | $43.17 | | $8.63 |
| 0352 | Level I Injections | X | 0.14 | $7.28 | | $1.46 |
| 0353 | Level II Allergy Injections | X | 0.43 | $22.36 | | $4.47 |
| 0354 | Administration of Influenza/Pneumonia Vaccine | K | 0.09 | $4.68 | | |
| 0355 | Level I Immunizations | K | 0.24 | $12.48 | | $2.50 |
| 0356 | Level II Immunizations | K | 0.69 | $35.89 | | $7.18 |
| 0359 | Level II Injections | X | 0.83 | $43.17 | | $8.63 |
| 0360 | Level I Alimentary Tests | X | 1.65 | $85.81 | $42.91 | $17.16 |
| 0361 | Level II Alimentary Tests | X | 3.55 | $184.63 | $83.23 | $36.93 |
| 0362 | Level III Otorhinolaryngologic Function Tests | X | 2.83 | $147.19 | | $29.44 |
| 0363 | Level I Otorhinolaryngologic Function Tests | X | 0.76 | $39.53 | $14.63 | $7.91 |
| 0364 | Level I Audiometry | X | 0.45 | $23.40 | $9.13 | $4.68 |
| 0365 | Level II Audiometry | X | 1.31 | $68.13 | $20.16 | $13.63 |
| 0367 | Level I Pulmonary Test | X | 0.60 | $31.21 | $15.61 | $6.24 |
| 0368 | Level II Pulmonary Tests | X | 0.96 | $49.93 | $24.97 | $9.99 |
| 0369 | Level III Pulmonary Tests | X | 2.39 | $124.30 | $41.02 | $24.86 |
| 0370 | Allergy Tests | X | 0.74 | $38.49 | $11.16 | $7.70 |
| 0371 | Level I Allergy Injections | X | 0.50 | $26.00 | | $5.20 |
| 0372 | Therapeutic Phlebotomy | X | 0.56 | $29.13 | $10.09 | $5.83 |
| 0373 | Neuropsychological Testing | X | 2.37 | $123.26 | | $24.65 |
| 0374 | Monitoring Psychiatric Drugs | X | 1.20 | $62.41 | | $12.48 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0600 | Low Level Clinic Visits | V | 0.91 | $47.33 | | $9.47 |
| 0601 | Mid Level Clinic Visits | V | 1.04 | $54.09 | | $10.82 |
| 0602 | High Level Clinic Visits | V | 1.57 | $81.65 | | $16.33 |
| 0610 | Low Level Emergency Visits | V | 1.49 | $77.49 | $19.57 | $15.50 |
| 0611 | Mid Level Emergency Visits | V | 2.66 | $138.34 | $36.47 | $27.67 |
| 0612 | High Level Emergency Visits | V | 4.53 | $235.60 | $54.14 | $47.12 |
| 0620 | Critical Care | S | 10.25 | $533.09 | $150.55 | $106.62 |
| 0656 | Transcatheter Placement of Drug-Eluting Coronary Stents. | T | 90.90 | $4,927.70 | | $985.54 |
| 0657 | Placement of Tissue Clips | S | 1.38 | $71.77 | | $14.35 |
| 0658 | Percutaneous Breast Biopsies | T | 5.57 | $289.69 | | $57.94 |
| 0659 | Hyperbaric Oxygen | S | 3.12 | $162.27 | | $32.45 |
| 0660 | Level II Otorhinolaryngologic Function Tests | X | 1.65 | $85.81 | $31.75 | $17.16 |
| 0661 | Level IV Pathology | X | 3.46 | $179.95 | $98.97 | $35.99 |
| 0662 | CT Angiography | S | 5.96 | $309.97 | $170.48 | $61.99 |
| 0663 | Stereoteactic Radiosurgery | S | 63.69 | $3,312.45 | | $662.49 |
| 0664 | Proton Beam Radiation Therapy | S | 11.03 | $573.66 | | $114.73 |
| 0665 | Bone Density:AppendicularSkeleton | S | 0.73 | $37.97 | | $7.59 |
| 0666 | Myocardial Add-on Scans | S | 1.59 | $82.69 | $45.48 | $16.54 |
| 0667 | Nonmyocardial Positron Emission Tomography (PET) | S | 18.68 | $971.53 | | $194.31 |
| 0668 | Level I Angiography and Venography except Extremity. | S | 5.36 | $278.77 | $122.66 | $55.75 |
| 0669 | Digital Mammography | S | 0.95 | $49.41 | | $9.88 |
| 0670 | Intravenous and Intracardiac Ultrasound | S | 14.78 | $768.69 | $276.73 | $153.74 |
| 0671 | Level II Echocardiogram Except Transesophageal | S | 1.68 | $87.38 | $45.44 | $17.48 |
| 0672 | Level IV Posterior Segment Procedures | T | 39.95 | $2,077.76 | $1,038.88 | $415.55 |
| 0673 | Level IV Anterior Segment Eye Procedures | T | 27.47 | $1,428.69 | $685.77 | $285.74 |
| 0674 | Prostate Cryoablation | T | 69.25 | $3,601.62 | | $720.32 |
| 0675 | Prostatic Thermotherapy | T | 51.57 | $2,682.10 | | $536.42 |
| 0676 | Level II Transcatheter Thrombolysis | T | 4.62 | $240.28 | $64.88 | $48.06 |
| 0677 | Level I Transcatheter Thrombolysis | T | 2.80 | $145.63 | | $29.13 |
| 0678 | External Counterpulsation | T | 2.55 | $132.62 | | $26.52 |
| 0679 | Level II Resuscitation and Cardioversion | S | 5.70 | $296.45 | $100.79 | $59.29 |
| 0680 | Insertion of Patient Activated Event Recorders | S | 51.95 | $2,701.87 | | $540.37 |
| 0681 | Knee Arthroplasty | T | 158.14 | $8,224.70 | $3,289.88 | $1,644.94 |
| 0682 | Level V Debridement & Destruction | T | 6.74 | $350.54 | $161.25 | $70.11 |
| 0683 | Level II Photochemotherapy | S | 2.11 | $109.74 | $39.51 | $21.95 |
| 0684 | Prostate Brachytherapy | T | 103.47 | $5,381.37 | | $1,076.27 |
| 0685 | Level III Needle Biopsy/Aspiration Except Bone Marrow. | T | 4.47 | $232.48 | $102.29 | $46.50 |
| 0686 | Level III Skin Repair | T | 11.30 | $587.70 | $270.34 | $117.54 |
| 0687 | Revision/Removal of Neurostimulator Electrodes | T | 19.50 | $1,014.18 | $466.52 | $202.84 |
| 0688 | Revision/Removal of Neurostimulator Pulse Generator Receiver. | T | 30.58 | $1,590.44 | $779.32 | $318.09 |
| 0689 | Electronic Analysis of Cardioverter-defibrillators | S | 0.60 | $31.21 | $12.03 | $6.24 |
| 0690 | Electronic Analysis of Pacemakers and other Cardiac Devices. | S | 0.45 | $23.40 | $10.63 | $4.68 |
| 0691 | Electronic Analysis of Programmable Shunts/Pumps | S | 3.14 | $163.31 | $89.02 | $32.66 |
| 0692 | Electronic Analysis of Neurostimulator Pulse Generators. | S | 0.85 | $44.21 | $24.32 | $8.84 |
| 0693 | Level II Breast Reconstruction | T | 39.30 | $2,043.95 | $798.17 | $408.79 |
| 0694 | Mohs Surgery | T | 3.90 | $202.84 | $81.14 | $40.57 |
| 0695 | Level VII Debridement & Destruction | T | 19.65 | $1,021.98 | $266.59 | $204.40 |
| 0697 | Level I Echocardiogram Except Transesophageal | S | 1.51 | $78.53 | $40.84 | $15.71 |
| 0698 | Level II Eye Tests & Treatments | S | 1.01 | $52.53 | $20.49 | $10.51 |
| 0699 | Level IV Eye Tests & Treatment | T | 2.37 | $123.26 | $55.47 | $24.65 |
| 0701 | SR 89 chloride, per mCi | K | 6.43 | $334.42 | | $66.88 |
| 0702 | SM 153 lexidronam, 50 mCi | K | 15.02 | $781.18 | | $156.24 |
| 0706 | New Technology - Level I ($0 - $50) | S | | $25.00 | | $5.00 |
| 0707 | New Technology - Level II ($50 - $100) | S | | $75.00 | | $15.00 |
| 0708 | New Technology - Level III ($100 - $200) | S | | $150.00 | | $30.00 |
| 0709 | New Technology - Level IV ($200 - $300) | S | | $250.00 | | $50.00 |
| 0710 | New Technology - Level V ($300 - $500) | S | | $400.00 | | $80.00 |
| 0711 | New Technology - Level VI ($500 - $750) | S | | $625.00 | | $125.00 |
| 0712 | New Technology - Level VII ($750 - $1000) | S | | $875.00 | | $175.00 |
| 0713 | New Technology - Level VIII ($1000 - $1250) | S | | $1,125.00 | | $225.00 |
| 0714 | New Technology - Level IX ($1250 - $1500) | S | | $1,375.00 | | $275.00 |
| 0715 | New Technology - Level X ($1500 - $1750) | S | | $1,625.00 | | $325.00 |
| 0716 | New Technology - Level XI ($1750 - $2000) | S | | $1,875.00 | | $375.00 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0717 | New Technology - Level XII ($2000 - $2500) | S | | $2,250.00 | | $450.00 |
| 0718 | New Technology - Level XIII ($2500 - $3000) | S | | $2,750.00 | | $550.00 |
| 0719 | New Technology-Level XIV ($3000- $3500) | S | | $3,250.00 | | $650.00 |
| 0720 | New Technology - Level XV ($3500 - $5000) | S | | $4,250.00 | | $850.00 |
| 0721 | New Technology - Level XVI ($5000 - $6000) | S | | $5,500.00 | | $1,100.00 |
| 0726 | Dexrazoxane hcl injection, 250 mg | K | 2.40 | $124.82 | | $24.96 |
| 0728 | Filgrastim 300 mcg injection | K | 2.24 | $116.50 | | $23.30 |
| 0730 | Pamidronate disodium , 30 mg | K | 3.46 | $179.95 | | $35.99 |
| 0732 | Mesna injection 200 mg | K | 0.55 | $28.60 | | $5.72 |
| 0733 | Non esrd epoetin alpha inj, 1000 u | K | 0.19 | $9.88 | | $1.98 |
| 0734 | Darbepoetin alfa, 1 mcg | G | | $4.74 | | $.68 |
| 0800 | Leuprolide acetate, 3.75 mg | K | 4.15 | $215.84 | | $43.17 |
| 0802 | Etoposide oral 50 mg | K | 0.54 | $28.08 | | $5.62 |
| 0807 | Aldesleukin/single use vial | K | 6.09 | $316.73 | | $63.35 |
| 0810 | Goserelin acetate implant 3.6 mg | K | 5.94 | $308.93 | | $61.79 |
| 0811 | Carboplatin injection 50 mg | K | 1.58 | $82.17 | | $16.43 |
| 0813 | Cisplatin 10 mg injection | K | 0.47 | $24.44 | | $4.89 |
| 0820 | Daunorubicin 10 mg | K | 2.27 | $118.06 | | $23.61 |
| 0821 | Daunorubicin citrate liposom 10 mg | K | 3.17 | $164.87 | | $32.97 |
| 0822 | Diethylstilbestrol injection 250 mg | K | 2.21 | $114.94 | | $22.99 |
| 0823 | Docetaxel, 20 mg | K | 4.01 | $208.56 | | $41.71 |
| 0827 | Floxuridine injection 500 mg | K | 2.42 | $125.86 | | $25.17 |
| 0828 | Gemcitabine HCL 200 mg | K | 1.49 | $77.49 | | $15.50 |
| 0830 | Irinotecan injection 20 mg | K | 1.86 | $96.74 | | $19.35 |
| 0831 | Ifosfomide injection 1 gm | K | 2.06 | $107.14 | | $21.43 |
| 0832 | Idarubicin hcl injection 5 mg | K | 4.57 | $237.68 | | $47.54 |
| 0838 | Interferon gamma 1-b inj, 3 million u | K | 2.49 | $129.50 | | $25.90 |
| 0840 | Melphalan hydrochl 50 mg | K | 4.09 | $212.72 | | $42.54 |
| 0842 | Fludarabine phosphate inj 50 mg | K | 3.30 | $171.63 | | $34.33 |
| 0843 | Pegaspargase, singl dose vial | K | 2.38 | $123.78 | | $24.76 |
| 0844 | Pentostatin injection, 10 mg | K | 21.32 | $1,108.83 | | $221.77 |
| 0849 | Rituximab, 100 mg | K | 5.71 | $296.97 | | $59.39 |
| 0852 | Topotecan, 4 mg | K | 7.61 | $395.79 | | $79.16 |
| 0855 | Vinorelbine tartrate, 10 mg | K | 1.10 | $57.21 | | $11.44 |
| 0856 | Porfimer sodium, 75 mg | K | 26.35 | $1,370.44 | | $274.09 |
| 0857 | Bleomycin sulfate injection 15 u | K | 3.10 | $161.23 | | $32.25 |
| 0858 | Cladribine, 1mg | K | 0.84 | $43.69 | | $8.74 |
| 0861 | Leuprolide acetate injection 1 mg | K | 0.84 | $43.69 | | $8.74 |
| 0862 | Mitomycin 5 mg inj | K | 1.18 | $61.37 | | $12.27 |
| 0863 | Paclitaxel injection, 30 mg | K | 2.50 | $130.02 | | $26.00 |
| 0864 | Mitoxantrone hcl, 5 mg | K | 3.02 | $157.07 | | $31.41 |
| 0884 | Rho d immune globulin inj, 1 dose pkg | K | 0.70 | $36.41 | | $7.28 |
| 0888 | Cyclosporine oral 100 mg | K | 0.04 | $2.08 | | $.42 |
| 0890 | Lymphocyte immune globulin 250 mg | K | 3.64 | $189.31 | | $37.86 |
| 0891 | Tacrolimus oral per 1 mg | K | 0.02 | $1.04 | | $.21 |
| 0900 | Alglucerase injection, per 10 u | K | 0.53 | $27.56 | | $5.51 |
| 0901 | Alpha 1 proteinase inhibitor, 10 mg | K | 0.02 | $1.04 | | $.21 |
| 0902 | Botulinum toxin a, per unit | K | 0.05 | $2.60 | | $.52 |
| 0903 | Cytomegalovirus imm IV/vial | K | 0.34 | $17.68 | | $3.54 |
| 0905 | Immune globulin 500 mg | K | 0.45 | $23.40 | | $4.68 |
| 0909 | Interferon beta-1a, 33 mcg | K | 2.77 | $144.06 | | $28.81 |
| 0916 | Injection imiglucerase /unit | K | 0.05 | $2.60 | | $.52 |
| 0925 | Factor viii per iu | K | 0.01 | $.52 | | $.10 |
| 0926 | Factor VIII (porcine) per iu | K | 0.02 | $1.04 | | $.21 |
| 0927 | Factor viii recombinant per iu | K | 0.01 | $.52 | | $.10 |
| 0928 | Factor ix complex per iu | K | 0.01 | $.52 | | $.10 |
| 0929 | Anti-inhibitor per iu | K | 0.01 | $.52 | | $.10 |
| 0930 | Antithrombin iii injection per iu | K | 0.01 | $.52 | | $.10 |
| 0931 | Factor IX non-recombinant, per iu | K | 0.01 | $.52 | | $.10 |
| 0932 | Factor IX recombinant, per iu | K | 0.03 | $1.56 | | $.31 |
| 0949 | Plasma, Pooled Multiple Donor, Solvent/Detergent T | K | 1.26 | $65.53 | | $13.11 |
| 0950 | Blood (Whole) For Transfusion | K | 1.25 | $65.01 | | $13.00 |
| 0952 | Cryoprecipitate | K | 0.53 | $27.56 | | $5.51 |
| 0954 | RBC leukocytes reduced | K | 1.59 | $82.69 | | $16.54 |
| 0955 | Plasma, Fresh Frozen | K | 0.71 | $36.93 | | $7.39 |
| 0956 | Plasma Protein Fraction | K | 1.94 | $100.90 | | $20.18 |
| 0957 | Platelet Concentrate | K | 0.67 | $34.85 | | $6.97 |
| 0958 | Platelet Rich Plasma | K | 1.12 | $58.25 | | $11.65 |
| 0959 | Red Blood Cells | K | 1.12 | $58.25 | | $11.65 |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 0960 | Washed Red Blood Cells | K | 1.42 | $73.85 | | $14.77 |
| 0961 | Infusion, Albumin (Human) 5%, 50 ml | K | 0.47 | $24.44 | | $4.89 |
| 0963 | Albumin (human), 5%, 250 ml | K | 2.37 | $123.26 | | $24.65 |
| 0964 | Albumin (human), 25%, 20 ml | K | 0.50 | $26.00 | | $5.20 |
| 0965 | Albumin (human), 25%, 50ml | K | 1.25 | $65.01 | | $13.00 |
| 0966 | Plasmaprotein fract,5%,250ml | K | 9.71 | $505.01 | | $101.00 |
| 0970 | New Technology - Level I ($0 - $50) | T | | $25.00 | | $5.00 |
| 0971 | New Technology - Level II ($50 - $100) | T | | $75.00 | | $15.00 |
| 0972 | New Technology - Level III ($100 - $200) | T | | $150.00 | | $30.00 |
| 0973 | New Technology - Level IV ($200 - $300) | T | | $250.00 | | $50.00 |
| 0974 | New Technology - Level V ($300 - $500) | T | | $400.00 | | $80.00 |
| 0975 | New Technology - Level VI ($500 - $750) | T | | $625.00 | | $125.00 |
| 0976 | New Technology - Level VII ($750 - $1000) | T | | $875.00 | | $175.00 |
| 0977 | New Technology - Level VIII ($1000 - $1250) | T | | $1,125.00 | | $225.00 |
| 0978 | New Technology - Level IX ($1250 - $1500) | T | | $1,375.00 | | $275.00 |
| 0979 | New Technology - Level X ($1500 - $1750) | T | | $1,625.00 | | $325.00 |
| 0980 | New Technology - Level XI ($1750 - $2000) | T | | $1,875.00 | | $375.00 |
| 0981 | New Technology - Level XII ($2000 - $2500) | T | | $2,250.00 | | $450.00 |
| 0982 | New Technology - Level XIII ($2500 - $3000) | T | | $2,750.00 | | $550.00 |
| 0983 | New Technology-Level XIV ($3000- $3500) | T | | $3,250.00 | | $650.00 |
| 0984 | New Technology - Level XV ($3500 - $5000) | T | | $4,250.00 | | $850.00 |
| 0985 | New Technology - Level XVI ($5000 - $6000) | T | | $5,500.00 | | $1,100.00 |
| 1009 | Cryoprecip reduced plasma | K | 0.66 | $34.33 | | $6.87 |
| 1010 | Blood, L/R, CMV-neg | K | 1.67 | $86.86 | | $17.37 |
| 1011 | Platelets, HLA-m, L/R, unit | K | 6.03 | $313.61 | | $62.72 |
| 1013 | Platelet concentrate, L/R, unit | K | 0.91 | $47.33 | | $9.47 |
| 1016 | Blood, L/R, froz/deglycerol/washed | K | 1.09 | $56.69 | | $11.34 |
| 1017 | Platelets, aph/pher, L/R, CMV-neg, unit | K | 4.78 | $248.60 | | $49.72 |
| 1018 | Blood, L/R, irradiated | K | 1.90 | $98.82 | | $19.76 |
| 1019 | Platelets, aph/pher, L/R, irradiated, unit | K | 6.93 | $360.42 | | $72.08 |
| 1058 | TC 99M oxidronate, per vial | G | | $36.74 | | $5.26 |
| 1059 | Cultured chondrocytes implnt | K | 43.64 | $2,269.67 | | $453.93 |
| 1064 | I-131 cap, each add mCi | G | | $5.86 | | $.75 |
| 1065 | I-131 sol, each add mCi | G | | $15.81 | | $2.03 |
| 1084 | Denileukin diftitox, 300 MCG | K | 13.94 | $725.01 | | $145.00 |
| 1086 | Temozolomide,oral 5 mg | K | 0.05 | $2.60 | | $.52 |
| 1091 | IN 111 Oxyquinoline, per .5 mCi | K | 4.36 | $226.76 | | $45.35 |
| 1092 | IN 111 Pentetate, per 0.5 mCi | K | 4.78 | $248.60 | | $49.72 |
| 1095 | Technetium TC 99M Depreotide | K | 0.25 | $13.00 | | $2.60 |
| 1096 | TC 99M Exametazime, per dose | K | 3.35 | $174.23 | | $34.85 |
| 1122 | TC 99M arcitumomab, per vial | K | 8.33 | $433.23 | | $86.65 |
| 1167 | Epirubicin hcl, 2 mg | K | 0.32 | $16.64 | | $3.33 |
| 1178 | Busulfan IV, 6 mg | K | 0.53 | $27.56 | | $5.51 |
| 1203 | Verteporfin for injection | K | 16.26 | $845.67 | | $169.13 |
| 1207 | Octreotide acetate depot 1mg | K | 1.22 | $63.45 | | $12.69 |
| 1305 | Apligraf | K | 12.47 | $648.55 | | $129.71 |
| 1348 | I-131 sol, per 1-6 mCi | K | 0.19 | $9.88 | | $1.98 |
| 1409 | Factor viia recombinant, per 1.2 mg | K | 13.53 | $703.68 | | $140.74 |
| 1604 | IN 111 capromab pendetide, per dose | K | 5.91 | $307.37 | | $61.47 |
| 1605 | Abciximab injection, 10 mg | K | 5.82 | $302.69 | | $60.54 |
| 1609 | Rho(D) immune globulin h, sd, 100 iu | K | 0.22 | $11.44 | | $2.29 |
| 1611 | Hylan G-F 20 injection, 16 mg | K | 2.43 | $126.38 | | $25.28 |
| 1612 | Daclizumab, parenteral, 25 mg | K | 3.77 | $196.07 | | $39.21 |
| 1613 | Trastuzumab, 10 mg | K | 0.66 | $34.33 | | $6.87 |
| 1614 | Valrubicin, 200 mg | K | 2.04 | $106.10 | | $21.22 |
| 1615 | Basiliximab, 20 mg | K | 9.64 | $501.37 | | $100.27 |
| 1618 | Vonwillebrandfactrcmplx, per iu | K | 0.01 | $.52 | | $.10 |
| 1620 | Technetium tc99m bicisate | K | 2.80 | $145.63 | | $29.13 |
| 1625 | Indium 111-in pentetreotide | K | 4.57 | $237.68 | | $47.54 |
| 1628 | Chromic phosphate p32 | K | 1.35 | $70.21 | | $14.04 |
| 1716 | Brachytx seed, Gold 198 | K | 0.35 | $18.20 | | $3.64 |
| 1718 | Brachytx seed, Iodine 125 | K | 0.64 | $33.29 | | $6.66 |
| 1719 | Brachytxseed, Non-HDR Ir-192 | K | 0.57 | $29.65 | | $5.93 |
| 1720 | Brachytx seed, Palladium 103 | K | 0.89 | $46.29 | | $9.26 |
| 1765 | Adhesion barrier | H | | | | |
| 1775 | FDG, per dose (4-40 mCi/ml) | G | | $475.00 | | $68.00 |
| 1783 | Ocular implant, aqueous drainage assist device | H | | | | |
| 1888 | Catheter, ablation, non-cardiac, endovascular (implantable. | H | | | | |

ADDENDUM A.—LIST OF AMBULATORY PAYMENT CLASSIFICATIONS (APCS) WITH STATUS INDICATORS, RELATIVE WEIGHTS, PAYMENT RATES, AND COPAYMENT AMOUNTS CALENDAR YEAR 2003—Continued

| APC | Group title | Status indicator | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|
| 1900 | Lead, left ventricular coronary venous system | H | | | | |
| 2618 | Probe, cryoablation | H | | | | |
| 7000 | Amifostine, 500 mg | K | 4.46 | $231.96 | | $46.39 |
| 7001 | Amphotericin B lipid complex, 50 mg | K | 2.05 | $106.62 | | $21.32 |
| 7011 | Oprelvekin injection, 5 mg | K | 2.52 | $131.06 | | $26.21 |
| 7024 | Corticorelin ovine triflutat | K | 4.62 | $240.28 | | $48.06 |
| 7025 | Digoxin immune FAB (ovine) | K | 2.77 | $144.06 | | $28.81 |
| 7030 | Hemin, per 1 mg | K | 0.01 | $.52 | | $.10 |
| 7031 | Octreotide acetate injection | K | 0.90 | $46.81 | | $9.36 |
| 7034 | Somatropin injection | K | 0.78 | $40.57 | | $8.11 |
| 7035 | Teniposide, 50 mg | K | 1.24 | $64.49 | | $12.90 |
| 7038 | Muromonab-CD3, 5 mg | K | 4.43 | $230.40 | | $46.08 |
| 7041 | Tirofiban hydrochloride 12.5 mg | K | 4.82 | $250.68 | | $50.14 |
| 7042 | Capecitabine, oral, 150 mg | K | 0.03 | $1.56 | | $.31 |
| 7043 | Infliximab injection 10 mg | K | 0.74 | $38.49 | | $7.70 |
| 7045 | Trimetrexate glucoronate | K | 1.23 | $63.97 | | $12.79 |
| 7046 | Doxorubicin hcl liposome inj 10 mg | K | 4.54 | $236.12 | | $47.22 |
| 7049 | Filgrastim 480 mcg injection | K | 3.37 | $175.27 | | $35.05 |
| 7051 | Leuprolide acetate implant, 65 mg | G | | $5,399.80 | | $773.02 |
| 9002 | Tenecteplase, 50mg/vial | K | 25.46 | $1,324.15 | | $264.83 |
| 9003 | Palivizumab, per 50mg | K | 9.34 | $485.76 | | $97.15 |
| 9004 | Gemtuzumab ozogamicin inj,5mg | K | 1.05 | $54.61 | | $10.92 |
| 9005 | Reteplase injection | K | 10.84 | $563.78 | | $112.76 |
| 9009 | Baclofen refill kit - per 2000 mcg | K | 0.79 | $41.09 | | $8.22 |
| 9010 | Baclofen refill kit - per 4000 mcg | K | 0.95 | $49.41 | | $9.88 |
| 9012 | Arsenic Trioxide | G | | $23.75 | | $3.40 |
| 9015 | Mycophenolate mofetil oral 250 mg | G | | $2.40 | | $.34 |
| 9016 | Echocardiography contrast | G | | $118.75 | | $17.00 |
| 9018 | Botulinum tox B, per 100 u | G | | $8.79 | | $1.26 |
| 9019 | Caspofungin acetate, 5 mg | G | | $34.20 | | $4.90 |
| 9020 | Sirolimus tablet, 1 mg | K | 0.05 | $2.60 | | $.52 |
| 9104 | Anti-thymocycte globulin rabbit | K | 1.97 | $102.46 | | $20.49 |
| 9105 | Hep B imm glob, per 1 ml | K | 1.58 | $82.17 | | $16.43 |
| 9106 | Sirolimus, 1 mg | K | 0.05 | $2.60 | | $.52 |
| 9108 | Thyrotropin alfa, per 1.1 mg | K | 8.79 | $457.16 | | $91.43 |
| 9109 | Tirofliban hcl, per 6.25 mg | K | 2.32 | $120.66 | | $24.13 |
| 9110 | Alemtuzumab, per ml | G | | $486.88 | | $69.70 |
| 9111 | Inj, bivalirudin, per 250mg vial | G | | $397.81 | | $56.95 |
| 9112 | Perflutren lipid micro, per 2ml | G | | $148.20 | | $21.22 |
| 9113 | Inj pantoprazole sodium, vial | G | | $22.80 | | $3.26 |
| 9114 | Nesiritide, per 1.5 mg vial | G | | $433.20 | | $62.02 |
| 9115 | Inj, zoledronic acid, per 2 mg | G | | $406.78 | | $58.23 |
| 9200 | Orcel, per 36 cm2 | G | | $1,135.25 | | $162.52 |
| 9201 | Dermagraft, per 37.5 sq cm | G | | $577.60 | | $82.69 |
| 9217 | Leuprolide acetate suspnsion, 7.5 mg | K | 6.30 | $327.66 | | $65.53 |
| 9500 | Platelets, irradiated | K | 0.92 | $47.85 | | $9.57 |
| 9501 | Platelets, pheresis | K | 5.10 | $265.25 | | $53.05 |
| 9502 | Platelet pheresis irradiated | K | 1.99 | $103.50 | | $20.70 |
| 9503 | Fresh frozen plasma, ea unit | K | 0.77 | $40.05 | | $8.01 |
| 9504 | RBC deglycerolized | K | 1.91 | $99.34 | | $19.87 |
| 9505 | RBC irradiated | K | 1.82 | $94.66 | | $18.93 |
| 9506 | Granulocytes, pheresis | K | 0.45 | $23.40 | | $4.68 |

ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 0002T | C | Endovas repr abdo ao aneurys | | | | | |
| 0003T | S | Cervicography | 0706 | | $25.00 | | $5.00 |
| 0005T | C | Perc cath stent/brain cv art | | | | | |
| 0006T | C | Perc cath stent/brain cv art | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 0007T | C | Perc cath stent/brain cv art | | | | | |
| 0008T | E | Upper gi endoscopy w/suture | | | | | |
| 0009T | T | Endometrial cryoablation | 0980 | | $1,875.00 | | $375.00 |
| 00100 | N | Anesth, salivary gland | | | | | |
| 00102 | N | Anesth, repair of cleft lip | | | | | |
| 00103 | N | Anesth, blepharoplasty | | | | | |
| 00104 | N | Anesth, electroshock | | | | | |
| 0010T | A | Tb test, gamma interferon | | | | | |
| 00120 | N | Anesth, ear surgery | | | | | |
| 00124 | N | Anesth, ear exam | | | | | |
| 00126 | N | Anesth, tympanotomy | | | | | |
| 0012T | T | Osteochondral knee autograft | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 0013T | T | Osteochondral knee allograft | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 00140 | N | Anesth, procedures on eye | | | | | |
| 00142 | N | Anesth, lens surgery | | | | | |
| 00144 | N | Anesth, corneal transplant | | | | | |
| 00145 | N | Anesth, vitreoretinal surg | | | | | |
| 00147 | N | Anesth, iridectomy | | | | | |
| 00148 | N | Anesth, eye exam | | | | | |
| 0014T | T | Meniscal transplant, knee | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 00160 | N | Anesth, nose/sinus surgery | | | | | |
| 00162 | N | Anesth, nose/sinus surgery | | | | | |
| 00164 | N | Anesth, biopsy of nose | | | | | |
| 0016T | E | Thermotx choroid vasc lesion | | | | | |
| 00170 | N | Anesth, procedure on mouth | | | | | |
| 00172 | N | Anesth, cleft palate repair | | | | | |
| 00174 | C | Anesth, pharyngeal surgery | | | | | |
| 00176 | C | Anesth, pharyngeal surgery | | | | | |
| 0017T | E | Photocoagulat macular drusen | | | | | |
| 0018T | S | Transcranial magnetic stimul | 0215 | 0.60 | $31.21 | | $6.24 |
| 00190 | N | Anesth, face/skull bone surg | | | | | |
| 00192 | C | Anesth, facial bone surgery | | | | | |
| 0019T | A | Extracorp shock wave tx, ms | | | | | |
| 0020T | A | Extracorp shock wave tx, ft | | | | | |
| 00210 | N | Anesth, open head surgery | | | | | |
| 00212 | N | Anesth, skull drainage | | | | | |
| 00214 | C | Anesth, skull drainage | | | | | |
| 00215 | C | Anesth, skull repair/fract | | | | | |
| 00216 | N | Anesth, head vessel surgery | | | | | |
| 00218 | N | Anesth, special head surgery | | | | | |
| 0021T | C | Fetal oximetry, trnsvag/cerv | | | | | |
| 00220 | N | Anesth, intrcrn nerve | | | | | |
| 00222 | N | Anesth, head nerve surgery | | | | | |
| 0023T | A | Phenotype drug test, hiv 1 | | | | | |
| 0024T | C | Transcath cardiac reduction | | | | | |
| 0025T | S | Ultrasonic pachymetry | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 0026T | A | Measure remnant lipoproteins | | | | | |
| 00300 | N | Anesth, head/neck/ptrunk | | | | | |
| 00320 | N | Anesth, neck organ surgery | | | | | |
| 00322 | N | Anesth, biopsy of thyroid | | | | | |
| 00350 | N | Anesth, neck vessel surgery | | | | | |
| 00352 | N | Anesth, neck vessel surgery | | | | | |
| 00400 | N | Anesth, skin, ext/per/atrunk | | | | | |
| 00402 | N | Anesth, surgery of breast | | | | | |
| 00404 | C | Anesth, surgery of breast | | | | | |
| 00406 | C | Anesth, surgery of breast | | | | | |
| 00410 | N | Anesth, correct heart rhythm | | | | | |
| 00450 | N | Anesth, surgery of shoulder | | | | | |
| 00452 | C | Anesth, surgery of shoulder | | | | | |
| 00454 | N | Anesth, collar bone biopsy | | | | | |
| 00470 | N | Anesth, removal of rib | | | | | |
| 00472 | N | Anesth, chest wall repair | | | | | |
| 00474 | C | Anesth, surgery of rib(s) | | | | | |
| 00500 | N | Anesth, esophageal surgery | | | | | |
| 00520 | N | Anesth, chest procedure | | | | | |
| 00522 | N | Anesth, chest lining biopsy | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 00524 | C | Anesth, chest drainage | | | | | |
| 00528 | N | Anesth, chest partition view | | | | | |
| 00530 | N | Anesth, pacemaker insertion | | | | | |
| 00532 | N | Anesth, vascular access | | | | | |
| 00534 | N | Anesth, cardioverter/defib | | | | | |
| 00537 | N | Anesth, cardiac electrophys | | | | | |
| 00540 | C | Anesth, chest surgery | | | | | |
| 00542 | C | Anesth, release of lung | | | | | |
| 00544 | C | Anesth, chest lining removal | | | | | |
| 00546 | C | Anesth, lung,chest wall surg | | | | | |
| 00548 | N | Anesth, trachea,bronchi surg | | | | | |
| 00550 | N | Anesth, sternal debridement | | | | | |
| 00560 | C | Anesth, open heart surgery | | | | | |
| 00562 | C | Anesth, open heart surgery | | | | | |
| 00563 | N | Anesth, heart proc w/pump | | | | | |
| 00566 | N | Anesth, cabg w/o pump | | | | | |
| 00580 | C | Anesth heart/lung transplant | | | | | |
| 00600 | N | Anesth, spine, cord surgery | | | | | |
| 00604 | C | Anesth, sitting procedure | | | | | |
| 00620 | N | Anesth, spine, cord surgery | | | | | |
| 00622 | C | Anesth, removal of nerves | | | | | |
| 00630 | N | Anesth, spine, cord surgery | | | | | |
| 00632 | C | Anesth, removal of nerves | | | | | |
| 00634 | C | Anesth for chemonucleolysis | | | | | |
| 00635 | N | Anesth, lumbar puncture | | | | | |
| 00670 | C | Anesth, spine, cord surgery | | | | | |
| 00700 | N | Anesth, abdominal wall surg | | | | | |
| 00702 | N | Anesth, for liver biopsy | | | | | |
| 00730 | N | Anesth, abdominal wall surg | | | | | |
| 00740 | N | Anesth, upper gi visualize | | | | | |
| 00750 | N | Anesth, repair of hernia | | | | | |
| 00752 | N | Anesth, repair of hernia | | | | | |
| 00754 | N | Anesth, repair of hernia | | | | | |
| 00756 | N | Anesth, repair of hernia | | | | | |
| 00770 | N | Anesth, blood vessel repair | | | | | |
| 00790 | N | Anesth, surg upper abdomen | | | | | |
| 00792 | C | Anesth, hemorr/excise liver | | | | | |
| 00794 | C | Anesth, pancreas removal | | | | | |
| 00796 | C | Anesth, for liver transplant | | | | | |
| 00797 | N | Anesth, surgery for obesity | | | | | |
| 00800 | N | Anesth, abdominal wall surg | | | | | |
| 00802 | C | Anesth, fat layer removal | | | | | |
| 00810 | N | Anesth, low intestine scope | | | | | |
| 00820 | N | Anesth, abdominal wall surg | | | | | |
| 00830 | N | Anesth, repair of hernia | | | | | |
| 00832 | N | Anesth, repair of hernia | | | | | |
| 00840 | N | Anesth, surg lower abdomen | | | | | |
| 00842 | N | Anesth, amniocentesis | | | | | |
| 00844 | C | Anesth, pelvis surgery | | | | | |
| 00846 | C | Anesth, hysterectomy | | | | | |
| 00848 | C | Anesth, pelvic organ surg | | | | | |
| 00851 | N | Anesth, tubal ligation | | | | | |
| 00860 | N | Anesth, surgery of abdomen | | | | | |
| 00862 | N | Anesth, kidney/ureter surg | | | | | |
| 00864 | C | Anesth, removal of bladder | | | | | |
| 00865 | C | Anesth, removal of prostate | | | | | |
| 00866 | C | Anesth, removal of adrenal | | | | | |
| 00868 | C | Anesth, kidney transplant | | | | | |
| 00869 | N | Anesth, vasectomy | | | | | |
| 00870 | N | Anesth, bladder stone surg | | | | | |
| 00872 | N | Anesth kidney stone destruct | | | | | |
| 00873 | N | Anesth kidney stone destruct | | | | | |
| 00880 | N | Anesth, abdomen vessel surg | | | | | |
| 00882 | C | Anesth, major vein ligation | | | | | |
| 00902 | N | Anesth, anorectal surgery | | | | | |
| 00904 | C | Anesth, perineal surgery | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 00906 | N | Anesth, removal of vulva | | | | | |
| 00908 | C | Anesth, removal of prostate | | | | | |
| 00910 | N | Anesth, bladder surgery | | | | | |
| 00912 | N | Anesth, bladder tumor surg | | | | | |
| 00914 | N | Anesth, removal of prostate | | | | | |
| 00916 | N | Anesth, bleeding control | | | | | |
| 00918 | N | Anesth, stone removal | | | | | |
| 00920 | N | Anesth, genitalia surgery | | | | | |
| 00922 | N | Anesth, sperm duct surgery | | | | | |
| 00924 | N | Anesth, testis exploration | | | | | |
| 00926 | N | Anesth, removal of testis | | | | | |
| 00928 | C | Anesth, removal of testis | | | | | |
| 00930 | N | Anesth, testis suspension | | | | | |
| 00932 | C | Anesth, amputation of penis | | | | | |
| 00934 | C | Anesth, penis, nodes removal | | | | | |
| 00936 | C | Anesth, penis, nodes removal | | | | | |
| 00938 | N | Anesth, insert penis device | | | | | |
| 00940 | N | Anesth, vaginal procedures | | | | | |
| 00942 | N | Anesth, surg on vag/urethal | | | | | |
| 00944 | C | Anesth, vaginal hysterectomy | | | | | |
| 00948 | N | Anesth, repair of cervix | | | | | |
| 00950 | N | Anesth, vaginal endoscopy | | | | | |
| 00952 | N | Anesth, hysteroscope/graph | | | | | |
| 01112 | N | Anesth, bone aspirate/bx | | | | | |
| 01120 | N | Anesth, pelvis surgery | | | | | |
| 01130 | N | Anesth, body cast procedure | | | | | |
| 01140 | C | Anesth, amputation at pelvis | | | | | |
| 01150 | C | Anesth, pelvic tumor surgery | | | | | |
| 01160 | N | Anesth, pelvis procedure | | | | | |
| 01170 | N | Anesth, pelvis surgery | | | | | |
| 01180 | N | Anesth, pelvis nerve removal | | | | | |
| 01190 | C | Anesth, pelvis nerve removal | | | | | |
| 01200 | N | Anesth, hip joint procedure | | | | | |
| 01202 | N | Anesth, arthroscopy of hip | | | | | |
| 01210 | N | Anesth, hip joint surgery | | | | | |
| 01212 | C | Anesth, hip disarticulation | | | | | |
| 01214 | C | Anesth, hip arthroplasty | | | | | |
| 01215 | N | Anesth, revise hip repair | | | | | |
| 01220 | N | Anesth, procedure on femur | | | | | |
| 01230 | N | Anesth, surgery of femur | | | | | |
| 01232 | C | Anesth, amputation of femur | | | | | |
| 01234 | C | Anesth, radical femur surg | | | | | |
| 01250 | N | Anesth, upper leg surgery | | | | | |
| 01260 | N | Anesth, upper leg veins surg | | | | | |
| 01270 | N | Anesth, thigh arteries surg | | | | | |
| 01272 | C | Anesth, femoral artery surg | | | | | |
| 01274 | C | Anesth, femoral embolectomy | | | | | |
| 01320 | N | Anesth, knee area surgery | | | | | |
| 01340 | N | Anesth, knee area procedure | | | | | |
| 01360 | N | Anesth, knee area surgery | | | | | |
| 01380 | N | Anesth, knee joint procedure | | | | | |
| 01382 | N | Anesth, knee arthroscopy | | | | | |
| 01390 | N | Anesth, knee area procedure | | | | | |
| 01392 | N | Anesth, knee area surgery | | | | | |
| 01400 | N | Anesth, knee joint surgery | | | | | |
| 01402 | C | Anesth, knee arthroplasty | | | | | |
| 01404 | C | Anesth, amputation at knee | | | | | |
| 01420 | N | Anesth, knee joint casting | | | | | |
| 01430 | N | Anesth, knee veins surgery | | | | | |
| 01432 | N | Anesth, knee vessel surg | | | | | |
| 01440 | N | Anesth, knee arteries surg | | | | | |
| 01442 | C | Anesth, knee artery surg | | | | | |
| 01444 | C | Anesth, knee artery repair | | | | | |
| 01462 | N | Anesth, lower leg procedure | | | | | |
| 01464 | N | Anesth, ankle arthroscopy | | | | | |
| 01470 | N | Anesth, lower leg surgery | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 01472 | N | Anesth, achilles tendon surg | | | | | |
| 01474 | N | Anesth, lower leg surgery | | | | | |
| 01480 | N | Anesth, lower leg bone surg | | | | | |
| 01482 | N | Anesth, radical leg surgery | | | | | |
| 01484 | N | Anesth, lower leg revision | | | | | |
| 01486 | C | Anesth, ankle replacement | | | | | |
| 01490 | N | Anesth, lower leg casting | | | | | |
| 01500 | N | Anesth, leg arteries surg | | | | | |
| 01502 | C | Anesth, lwr leg embolectomy | | | | | |
| 01520 | N | Anesth, lower leg vein surg | | | | | |
| 01522 | N | Anesth, lower leg vein surg | | | | | |
| 01610 | N | Anesth, surgery of shoulder | | | | | |
| 01620 | N | Anesth, shoulder procedure | | | | | |
| 01622 | N | Anesth, shoulder arthroscopy | | | | | |
| 01630 | N | Anesth, surgery of shoulder | | | | | |
| 01632 | C | Anesth, surgery of shoulder | | | | | |
| 01634 | C | Anesth, shoulder joint amput | | | | | |
| 01636 | C | Anesth, forequarter amput | | | | | |
| 01638 | C | Anesth, shoulder replacement | | | | | |
| 01650 | N | Anesth, shoulder artery surg | | | | | |
| 01652 | C | Anesth, shoulder vessel surg | | | | | |
| 01654 | C | Anesth, shoulder vessel surg | | | | | |
| 01656 | C | Anesth, arm-leg vessel surg | | | | | |
| 01670 | N | Anesth, shoulder vein surg | | | | | |
| 01680 | N | Anesth, shoulder casting | | | | | |
| 01682 | N | Anesth, airplane cast | | | | | |
| 01710 | N | Anesth, elbow area surgery | | | | | |
| 01712 | N | Anesth, uppr arm tendon surg | | | | | |
| 01714 | N | Anesth, uppr arm tendon surg | | | | | |
| 01716 | N | Anesth, biceps tendon repair | | | | | |
| 01730 | N | Anesth, uppr arm procedure | | | | | |
| 01732 | N | Anesth, elbow arthroscopy | | | | | |
| 01740 | N | Anesth, upper arm surgery | | | | | |
| 01742 | N | Anesth, humerus surgery | | | | | |
| 01744 | N | Anesth, humerus repair | | | | | |
| 01756 | C | Anesth, radical humerus surg | | | | | |
| 01758 | N | Anesth, humeral lesion surg | | | | | |
| 01760 | N | Anesth, elbow replacement | | | | | |
| 01770 | N | Anesth, uppr arm artery surg | | | | | |
| 01772 | N | Anesth, uppr arm embolectomy | | | | | |
| 01780 | N | Anesth, upper arm vein surg | | | | | |
| 01782 | N | Anesth, uppr arm vein repair | | | | | |
| 01810 | N | Anesth, lower arm surgery | | | | | |
| 01820 | N | Anesth, lower arm procedure | | | | | |
| 01830 | N | Anesth, lower arm surgery | | | | | |
| 01832 | N | Anesth, wrist replacement | | | | | |
| 01840 | N | Anesth, lwr arm artery surg | | | | | |
| 01842 | N | Anesth, lwr arm embolectomy | | | | | |
| 01844 | N | Anesth, vascular shunt surg | | | | | |
| 01850 | N | Anesth, lower arm vein surg | | | | | |
| 01852 | N | Anesth, lwr arm vein repair | | | | | |
| 01860 | N | Anesth, lower arm casting | | | | | |
| 01905 | N | Anes, spine inject, x-ray/re | | | | | |
| 01916 | N | Anesth, dx arteriography | | | | | |
| 01920 | N | Anesth, catheterize heart | | | | | |
| 01922 | N | Anesth, cat or MRI scan | | | | | |
| 01924 | N | Anes, ther interven rad, art | | | | | |
| 01925 | N | Anes, ther interven rad, car | | | | | |
| 01926 | N | Anes, tx interv rad hrt/cran | | | | | |
| 01930 | N | Anes, ther interven rad, vei | | | | | |
| 01931 | N | Anes, ther interven rad, tip | | | | | |
| 01932 | N | Anes, tx interv rad, th vein | | | | | |
| 01933 | N | Anes, tx interv rad, cran v | | | | | |
| 01951 | N | Anesth, burn, less 4 percent | | | | | |
| 01952 | N | Anesth, burn, 4-9 percent | | | | | |
| 01953 | N | Anesth, burn, each 9 percent | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 01960 | N | Anesth, vaginal delivery | | | | | |
| 01961 | N | Anesth, cs delivery | | | | | |
| 01962 | N | Anesth, emer hysterectomy | | | | | |
| 01963 | N | Anesth, cs hysterectomy | | | | | |
| 01964 | N | Anesth, abortion procedures | | | | | |
| 01967 | N | Anesth/analg, vag delivery | | | | | |
| 01968 | N | Anes/analg cs deliver add-on | | | | | |
| 01969 | N | Anesth/analg cs hyst add-on | | | | | |
| 01990 | C | Support for organ donor | | | | | |
| 01995 | N | Regional anesthesia limb | | | | | |
| 01996 | N | Manage daily drug therapy | | | | | |
| 01999 | N | Unlisted anesth procedure | | | | | |
| 10021 | T | Fna w/o image | 0002 | 0.63 | $32.77 | $8.52 | $6.55 |
| 10022 | T | Fna w/image | 0002 | 0.63 | $32.77 | $8.52 | $6.55 |
| 10040 | T | Acne surgery | 0010 | 0.70 | $36.41 | $10.56 | $7.28 |
| 10060 | T | Drainage of skin abscess | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 10061 | T | Drainage of skin abscess | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 10080 | T | Drainage of pilonidal cyst | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 10081 | T | Drainage of pilonidal cyst | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 10120 | T | Remove foreign body | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 10121 | T | Remove foreign body | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 10140 | T | Drainage of hematoma/fluid | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 10160 | T | Puncture drainage of lesion | 0018 | 0.92 | $47.85 | $15.79 | $9.57 |
| 10180 | T | Complex drainage, wound | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 11000 | T | Debride infected skin | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 11001 | T | Debride infected skin add-on | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11010 | T | Debride skin, fx | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11011 | T | Debride skin/muscle, fx | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11012 | T | Debride skin/muscle/bone, fx | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11040 | T | Debride skin, partial | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 11041 | T | Debride skin, full | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 11042 | T | Debride skin/tissue | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 11043 | T | Debride tissue/muscle | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 11044 | T | Debride tissue/muscle/bone | 0682 | 6.74 | $350.54 | $161.25 | $70.11 |
| 11055 | T | Trim skin lesion | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11056 | T | Trim skin lesions, 2 to 4 | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11057 | T | Trim skin lesions, over 4 | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11100 | T | Biopsy of skin lesion | 0018 | 0.92 | $47.85 | $15.79 | $9.57 |
| 11101 | T | Biopsy, skin add-on | 0018 | 0.92 | $47.85 | $15.79 | $9.57 |
| 11200 | T | Removal of skin tags | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11201 | T | Remove skin tags add-on | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 11300 | T | Shave skin lesion | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11301 | T | Shave skin lesion | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11302 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11303 | T | Shave skin lesion | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 11305 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11306 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11307 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11308 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11310 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11311 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11312 | T | Shave skin lesion | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11313 | T | Shave skin lesion | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 11400 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11401 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11402 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11403 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11404 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11406 | T | Removal of skin lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 11420 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11421 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11422 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11423 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11424 | T | Removal of skin lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 11426 | T | Removal of skin lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11440 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 11441 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11442 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11443 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11444 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11446 | T | Removal of skin lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11450 | T | Removal, sweat gland lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11451 | T | Removal, sweat gland lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11462 | T | Removal, sweat gland lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11463 | T | Removal, sweat gland lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11470 | T | Removal, sweat gland lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11471 | T | Removal, sweat gland lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11600 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11601 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11602 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11603 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11604 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11606 | T | Removal of skin lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 11620 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11621 | T | Removal of skin lesion | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11622 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11623 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11624 | T | Removal of skin lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 11626 | T | Removal of skin lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11640 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11641 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11642 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11643 | T | Removal of skin lesion | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 11644 | T | Removal of skin lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 11646 | T | Removal of skin lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11719 | T | Trim nail(s) | 0009 | 0.68 | $35.37 | $8.34 | $7.07 |
| 11720 | T | Debride nail, 1-5 | 0009 | 0.68 | $35.37 | $8.34 | $7.07 |
| 11721 | T | Debride nail, 6 or more | 0009 | 0.68 | $35.37 | $8.34 | $7.07 |
| 11730 | T | Removal of nail plate | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 11732 | T | Remove nail plate, add-on | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11740 | T | Drain blood from under nail | 0009 | 0.68 | $35.37 | $8.34 | $7.07 |
| 11750 | T | Removal of nail bed | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11752 | T | Remove nail bed/finger tip | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11755 | T | Biopsy, nail unit | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11760 | T | Repair of nail bed | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11762 | T | Reconstruction of nail bed | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11765 | T | Excision of nail fold, toe | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 11770 | T | Removal of pilonidal lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11771 | T | Removal of pilonidal lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11772 | T | Removal of pilonidal lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11900 | T | Injection into skin lesions | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11901 | T | Added skin lesions injection | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 11920 | T | Correct skin color defects | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11921 | T | Correct skin color defects | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11922 | T | Correct skin color defects | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11950 | T | Therapy for contour defects | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11951 | T | Therapy for contour defects | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11952 | T | Therapy for contour defects | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11954 | T | Therapy for contour defects | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 11960 | T | Insert tissue expander(s) | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 11970 | T | Replace tissue expander | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 11971 | T | Remove tissue expander(s) | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 11975 | E | Insert contraceptive cap | | | | | |
| 11976 | T | Removal of contraceptive cap | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 11977 | E | Removal/reinsert contra cap | | | | | |
| 11980 | X | Implant hormone pellet(s) | 0340 | 0.66 | $34.33 | | $6.87 |
| 11981 | X | Insert drug implant device | 0340 | 0.66 | $34.33 | | $6.87 |
| 11982 | X | Remove drug implant device | 0340 | 0.66 | $34.33 | | $6.87 |
| 11983 | X | Remove/insert drug implant | 0340 | 0.66 | $34.33 | | $6.87 |
| 12001 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12002 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12004 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 12005 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12006 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12007 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12011 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12013 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12014 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12015 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12016 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12017 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12018 | T | Repair superficial wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12020 | T | Closure of split wound | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12021 | T | Closure of split wound | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12031 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12032 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12034 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12035 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12036 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12037 | T | Layer closure of wound(s) | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 12041 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12042 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12044 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12045 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12046 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12047 | T | Layer closure of wound(s) | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 12051 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12052 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12053 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12054 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12055 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12056 | T | Layer closure of wound(s) | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 12057 | T | Layer closure of wound(s) | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 13100 | T | Repair of wound or lesion | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 13101 | T | Repair of wound or lesion | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 13102 | T | Repair wound/lesion add-on | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13120 | T | Repair of wound or lesion | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13121 | T | Repair of wound or lesion | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13122 | T | Repair wound/lesion add-on | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13131 | T | Repair of wound or lesion | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13132 | T | Repair of wound or lesion | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13133 | T | Repair wound/lesion add-on | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13150 | T | Repair of wound or lesion | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 13151 | T | Repair of wound or lesion | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13152 | T | Repair of wound or lesion | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 13153 | T | Repair wound/lesion add-on | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 13160 | T | Late closure of wound | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14000 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14001 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14020 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14021 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14040 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14041 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14060 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14061 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14300 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 14350 | T | Skin tissue rearrangement | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15000 | T | Skin graft | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15001 | T | Skin graft add-on | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15050 | T | Skin pinch graft | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15100 | T | Skin split graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15101 | T | Skin split graft add-on | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15120 | T | Skin split graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15121 | T | Skin split graft add-on | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15200 | T | Skin full graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15201 | T | Skin full graft add-on | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15220 | T | Skin full graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15221 | T | Skin full graft add-on | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 15240 | T | Skin full graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15241 | T | Skin full graft add-on | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15260 | T | Skin full graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15261 | T | Skin full graft add-on | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15342 | T | Cultured skin graft, 25 cm | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15343 | T | Culture skn graft addl 25 cm | 0024 | 2.00 | $104.02 | $37.45 | $20.80 |
| 15350 | T | Skin homograft | 0686 | 11.30 | $587.70 | $270.34 | $117.54 |
| 15351 | T | Skin homograft add-on | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15400 | T | Skin heterograft | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15401 | T | Skin heterograft add-on | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15570 | T | Form skin pedicle flap | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15572 | T | Form skin pedicle flap | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15574 | T | Form skin pedicle flap | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15576 | T | Form skin pedicle flap | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15600 | T | Skin graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15610 | T | Skin graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15620 | T | Skin graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15630 | T | Skin graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15650 | T | Transfer skin pedicle flap | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15732 | T | Muscle-skin graft, head/neck | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15734 | T | Muscle-skin graft, trunk | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15736 | T | Muscle-skin graft, arm | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15738 | T | Muscle-skin graft, leg | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15740 | T | Island pedicle flap graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15750 | T | Neurovascular pedicle graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15756 | C | Free muscle flap, microvasc | | | | | |
| 15757 | C | Free skin flap, microvasc | | | | | |
| 15758 | C | Free fascial flap, microvasc | | | | | |
| 15760 | T | Composite skin graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15770 | T | Derma-fat-fascia graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15775 | T | Hair transplant punch grafts | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15776 | T | Hair transplant punch grafts | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15780 | T | Abrasion treatment of skin | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15781 | T | Abrasion treatment of skin | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15782 | T | Abrasion treatment of skin | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15783 | T | Abrasion treatment of skin | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 15786 | T | Abrasion, lesion, single | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 15787 | T | Abrasion, lesions, add-on | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 15788 | T | Chemical peel, face, epiderm | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 15789 | T | Chemical peel, face, dermal | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 15792 | T | Chemical peel, nonfacial | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 15793 | T | Chemical peel, nonfacial | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 15810 | T | Salabrasion | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 15811 | T | Salabrasion | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 15819 | T | Plastic surgery, neck | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15820 | T | Revision of lower eyelid | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15821 | T | Revision of lower eyelid | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15822 | T | Revision of upper eyelid | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15823 | T | Revision of upper eyelid | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15824 | T | Removal of forehead wrinkles | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15825 | T | Removal of neck wrinkles | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15826 | T | Removal of brow wrinkles | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15828 | T | Removal of face wrinkles | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15829 | T | Removal of skin wrinkles | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15831 | T | Excise excessive skin tissue | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15832 | T | Excise excessive skin tissue | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15833 | T | Excise excessive skin tissue | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15834 | T | Excise excessive skin tissue | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15835 | T | Excise excessive skin tissue | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 15836 | T | Excise excessive skin tissue | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 15837 | T | Excise excessive skin tissue | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 15838 | T | Excise excessive skin tissue | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 15839 | T | Excise excessive skin tissue | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 15840 | T | Graft for face nerve palsy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15841 | T | Graft for face nerve palsy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15842 | T | Flap for face nerve palsy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 15845 | T | Skin and muscle repair, face | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15850 | T | Removal of sutures | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 15851 | T | Removal of sutures | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 15852 | X | Dressing change,not for burn | 0340 | 0.66 | $34.33 | | $6.87 |
| 15860 | S | Test for blood flow in graft | 0706 | | $25.00 | | $5.00 |
| 15876 | T | Suction assisted lipectomy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15877 | T | Suction assisted lipectomy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15878 | T | Suction assisted lipectomy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15879 | T | Suction assisted lipectomy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15920 | T | Removal of tail bone ulcer | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15922 | T | Removal of tail bone ulcer | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15931 | T | Remove sacrum pressure sore | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15933 | T | Remove sacrum pressure sore | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15934 | T | Remove sacrum pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15935 | T | Remove sacrum pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15936 | T | Remove sacrum pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15937 | T | Remove sacrum pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15940 | T | Remove hip pressure sore | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15941 | T | Remove hip pressure sore | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15944 | T | Remove hip pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15945 | T | Remove hip pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15946 | T | Remove hip pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15950 | T | Remove thigh pressure sore | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15951 | T | Remove thigh pressure sore | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 15952 | T | Remove thigh pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15953 | T | Remove thigh pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15956 | T | Remove thigh pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15958 | T | Remove thigh pressure sore | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 15999 | T | Removal of pressure sore | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 16000 | T | Initial treatment of burn(s) | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 16010 | T | Treatment of burn(s) | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 16015 | T | Treatment of burn(s) | 0017 | 16.46 | $856.07 | $227.84 | $171.21 |
| 16020 | T | Treatment of burn(s) | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 16025 | T | Treatment of burn(s) | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 16030 | T | Treatment of burn(s) | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 16035 | C | Incision of burn scab, initi | | | | | |
| 16036 | C | Incise burn scab, addl incis | | | | | |
| 17000 | T | Detroy benign/premal lesion | 0010 | 0.70 | $36.41 | $10.56 | $7.28 |
| 17003 | T | Destroy lesions, 2-14 | 0010 | 0.70 | $36.41 | $10.56 | $7.28 |
| 17004 | T | Destroy lesions, 15 or more | 0011 | 1.93 | $100.38 | $27.88 | $20.08 |
| 17106 | T | Destruction of skin lesions | 0011 | 1.93 | $100.38 | $27.88 | $20.08 |
| 17107 | T | Destruction of skin lesions | 0011 | 1.93 | $100.38 | $27.88 | $20.08 |
| 17108 | T | Destruction of skin lesions | 0011 | 1.93 | $100.38 | $27.88 | $20.08 |
| 17110 | T | Destruct lesion, 1-14 | 0010 | 0.70 | $36.41 | $10.56 | $7.28 |
| 17111 | T | Destruct lesion, 15 or more | 0011 | 1.93 | $100.38 | $27.88 | $20.08 |
| 17250 | T | Chemical cautery, tissue | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 17260 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17261 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17262 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17263 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17264 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17266 | T | Destruction of skin lesions | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 17270 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17271 | T | Destruction of skin lesions | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 17272 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17273 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17274 | T | Destruction of skin lesions | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 17276 | T | Destruction of skin lesions | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 17280 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17281 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17282 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17283 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17284 | T | Destruction of skin lesions | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 17286 | T | Destruction of skin lesions | 0015 | 1.43 | $74.37 | $18.59 | $14.87 |
| 17304 | T | Chemosurgery of skin lesion | 0694 | 3.90 | $202.84 | $81.14 | $40.57 |
| 17305 | T | 2nd stage chemosurgery | 0694 | 3.90 | $202.84 | $81.14 | $40.57 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 17306 | T | 3rd stage chemosurgery | 0694 | 3.90 | $202.84 | $81.14 | $40.57 |
| 17307 | T | Followup skin lesion therapy | 0694 | 3.90 | $202.84 | $81.14 | $40.57 |
| 17310 | T | Extensive skin chemosurgery | 0694 | 3.90 | $202.84 | $81.14 | $40.57 |
| 17340 | T | Cryotherapy of skin | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 17360 | T | Skin peel therapy | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 17380 | T | Hair removal by electrolysis | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 17999 | T | Skin tissue procedure | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 19000 | T | Drainage of breast lesion | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 19001 | T | Drain breast lesion add-on | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 19020 | T | Incision of breast lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 19030 | N | Injection for breast x-ray | | | | | |
| 19100 | T | Bx breast percut w/o image | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 19101 | T | Biopsy of breast, open | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19102 | T | Bx breast percut w/image | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 19103 | T | Bx breast percut w/device | 0658 | 5.57 | $289.69 | | $57.94 |
| 19110 | T | Nipple exploration | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19112 | T | Excise breast duct fistula | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19120 | T | Removal of breast lesion | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19125 | T | Excision, breast lesion | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19126 | T | Excision, addl breast lesion | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19140 | T | Removal of breast tissue | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19160 | T | Removal of breast tissue | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 19162 | T | Remove breast tissue, nodes | 0693 | 39.30 | $2,043.95 | $798.17 | $408.79 |
| 19180 | T | Removal of breast | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19182 | T | Removal of breast | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19200 | C | Removal of breast | | | | | |
| 19220 | C | Removal of breast | | | | | |
| 19240 | T | Removal of breast | 0030 | 40.23 | $2,092.32 | $763.55 | $418.46 |
| 19260 | T | Removal of chest wall lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 19271 | C | Revision of chest wall | | | | | |
| 19272 | C | Extensive chest wall surgery | | | | | |
| 19290 | N | Place needle wire, breast | | | | | |
| 19291 | N | Place needle wire, breast | | | | | |
| 19295 | S | Place breast clip, percut | 0657 | 1.38 | $71.77 | | $14.35 |
| 19316 | T | Suspension of breast | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19318 | T | Reduction of large breast | 0693 | 39.30 | $2,043.95 | $798.17 | $408.79 |
| 19324 | T | Enlarge breast | 0693 | 39.30 | $2,043.95 | $798.17 | $408.79 |
| 19325 | T | Enlarge breast with implant | 0693 | 39.30 | $2,043.95 | $798.17 | $408.79 |
| 19328 | T | Removal of breast implant | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19330 | T | Removal of implant material | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19340 | T | Immediate breast prosthesis | 0030 | 40.23 | $2,092.32 | $763.55 | $418.46 |
| 19342 | T | Delayed breast prosthesis | 0693 | 39.30 | $2,043.95 | $798.17 | $408.79 |
| 19350 | T | Breast reconstruction | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19355 | T | Correct inverted nipple(s) | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19357 | T | Breast reconstruction | 0693 | 39.30 | $2,043.95 | $798.17 | $408.79 |
| 19361 | C | Breast reconstruction | | | | | |
| 19364 | C | Breast reconstruction | | | | | |
| 19366 | T | Breast reconstruction | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19367 | C | Breast reconstruction | | | | | |
| 19368 | C | Breast reconstruction | | | | | |
| 19369 | C | Breast reconstruction | | | | | |
| 19370 | T | Surgery of breast capsule | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19371 | T | Removal of breast capsule | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19380 | T | Revise breast reconstruction | 0030 | 40.23 | $2,092.32 | $763.55 | $418.46 |
| 19396 | T | Design custom breast implant | 0029 | 29.89 | $1,554.55 | $632.64 | $310.91 |
| 19499 | T | Breast surgery procedure | 0028 | 17.44 | $907.04 | $303.74 | $181.41 |
| 20000 | T | Incision of abscess | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 20005 | T | Incision of deep abscess | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 20100 | T | Explore wound, neck | 0023 | 2.38 | $123.78 | $40.37 | $24.76 |
| 20101 | T | Explore wound, chest | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 20102 | T | Explore wound, abdomen | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 20103 | T | Explore wound, extremity | 0023 | 2.38 | $123.78 | $40.37 | $24.76 |
| 20150 | T | Excise epiphyseal bar | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 20200 | T | Muscle biopsy | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 20205 | T | Deep muscle biopsy | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 20206 | T | Needle biopsy, muscle | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 20220 | T | Bone biopsy, trocar/needle | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 20225 | T | Bone biopsy, trocar/needle | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 20240 | T | Bone biopsy, excisional | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 20245 | T | Bone biopsy, excisional | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 20250 | T | Open bone biopsy | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 20251 | T | Open bone biopsy | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 20500 | T | Injection of sinus tract | 0251 | 1.92 | $99.86 | | $19.97 |
| 20501 | N | Inject sinus tract for x-ray | | | | | |
| 20520 | T | Removal of foreign body | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 20525 | T | Removal of foreign body | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 20526 | T | Ther injection carpal tunnel | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20550 | T | Inject tendon/ligament/cyst | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20551 | T | Inject tendon origin/insert | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20552 | T | Inject trigger point, 1 or 2 | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20553 | T | Inject trigger points, > 3 | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20600 | T | Drain/inject, joint/bursa | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20605 | T | Drain/inject, joint/bursa | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20610 | T | Drain/inject, joint/bursa | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 20615 | T | Treatment of bone cyst | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 20650 | T | Insert and remove bone pin | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 20660 | C | Apply,remove fixation device | | | | | |
| 20661 | C | Application of head brace | | | | | |
| 20662 | C | Application of pelvis brace | | | | | |
| 20663 | C | Application of thigh brace | | | | | |
| 20664 | C | Halo brace application | | | | | |
| 20665 | X | Removal of fixation device | 0340 | 0.66 | $34.33 | | $6.87 |
| 20670 | T | Removal of support implant | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 20680 | T | Removal of support implant | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 20690 | T | Apply bone fixation device | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 20692 | T | Apply bone fixation device | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 20693 | T | Adjust bone fixation device | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 20694 | T | Remove bone fixation device | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 20802 | C | Replantation, arm, complete | | | | | |
| 20805 | C | Replant, forearm, complete | | | | | |
| 20808 | C | Replantation hand, complete | | | | | |
| 20816 | C | Replantation digit, complete | | | | | |
| 20822 | C | Replantation digit, complete | | | | | |
| 20824 | C | Replantation thumb, complete | | | | | |
| 20827 | C | Replantation thumb, complete | | | | | |
| 20838 | C | Replantation foot, complete | | | | | |
| 20900 | T | Removal of bone for graft | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 20902 | T | Removal of bone for graft | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 20910 | T | Remove cartilage for graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 20912 | T | Remove cartilage for graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 20920 | T | Removal of fascia for graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 20922 | T | Removal of fascia for graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 20924 | T | Removal of tendon for graft | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 20926 | T | Removal of tissue for graft | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 20930 | C | Spinal bone allograft | | | | | |
| 20931 | C | Spinal bone allograft | | | | | |
| 20936 | C | Spinal bone autograft | | | | | |
| 20937 | C | Spinal bone autograft | | | | | |
| 20938 | C | Spinal bone autograft | | | | | |
| 20950 | T | Fluid pressure, muscle | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 20955 | C | Fibula bone graft, microvasc | | | | | |
| 20956 | C | Iliac bone graft, microvasc | | | | | |
| 20957 | C | Mt bone graft, microvasc | | | | | |
| 20962 | C | Other bone graft, microvasc | | | | | |
| 20969 | C | Bone/skin graft, microvasc | | | | | |
| 20970 | C | Bone/skin graft, iliac crest | | | | | |
| 20972 | C | Bone/skin graft, metatarsal | | | | | |
| 20973 | C | Bone/skin graft, great toe | | | | | |
| 20974 | A | Electrical bone stimulation | | | | | |
| 20975 | T | Electrical bone stimulation | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 20979 | A | Us bone stimulation | | | | | |
| 20999 | T | Musculoskeletal surgery | 0049 | 19.45 | $1,011.58 | | $202.32 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 21010 | T | Incision of jaw joint | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21015 | T | Resection of facial tumor | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21025 | T | Excision of bone, lower jaw | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21026 | T | Excision of facial bone(s) | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21029 | T | Contour of face bone lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21030 | T | Removal of face bone lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21031 | T | Remove exostosis, mandible | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21032 | T | Remove exostosis, maxilla | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21034 | T | Removal of face bone lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21040 | T | Removal of jaw bone lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21041 | T | Removal of jaw bone lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21044 | T | Removal of jaw bone lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21045 | C | Extensive jaw surgery | | | | | |
| 21050 | T | Removal of jaw joint | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21060 | T | Remove jaw joint cartilage | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21070 | T | Remove coronoid process | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21076 | T | Prepare face/oral prosthesis | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21077 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21079 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21080 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21081 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21082 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21083 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21084 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21085 | T | Prepare face/oral prosthesis | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21086 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21087 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21088 | T | Prepare face/oral prosthesis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21089 | T | Prepare face/oral prosthesis | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21100 | T | Maxillofacial fixation | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21110 | T | Interdental fixation | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 21116 | N | Injection, jaw joint x-ray | | | | | |
| 21120 | T | Reconstruction of chin | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21121 | T | Reconstruction of chin | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21122 | T | Reconstruction of chin | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21123 | T | Reconstruction of chin | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21125 | T | Augmentation, lower jaw bone | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21127 | T | Augmentation, lower jaw bone | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21137 | T | Reduction of forehead | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21138 | T | Reduction of forehead | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21139 | T | Reduction of forehead | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21141 | C | Reconstruct midface, lefort | | | | | |
| 21142 | C | Reconstruct midface, lefort | | | | | |
| 21143 | C | Reconstruct midface, lefort | | | | | |
| 21145 | C | Reconstruct midface, lefort | | | | | |
| 21146 | C | Reconstruct midface, lefort | | | | | |
| 21147 | C | Reconstruct midface, lefort | | | | | |
| 21150 | C | Reconstruct midface, lefort | | | | | |
| 21151 | C | Reconstruct midface, lefort | | | | | |
| 21154 | C | Reconstruct midface, lefort | | | | | |
| 21155 | C | Reconstruct midface, lefort | | | | | |
| 21159 | C | Reconstruct midface, lefort | | | | | |
| 21160 | C | Reconstruct midface, lefort | | | | | |
| 21172 | C | Reconstruct orbit/forehead | | | | | |
| 21175 | C | Reconstruct orbit/forehead | | | | | |
| 21179 | C | Reconstruct entire forehead | | | | | |
| 21180 | C | Reconstruct entire forehead | | | | | |
| 21181 | T | Contour cranial bone lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21182 | C | Reconstruct cranial bone | | | | | |
| 21183 | C | Reconstruct cranial bone | | | | | |
| 21184 | C | Reconstruct cranial bone | | | | | |
| 21188 | C | Reconstruction of midface | | | | | |
| 21193 | C | Reconst lwr jaw w/o graft | | | | | |
| 21194 | C | Reconst lwr jaw w/graft | | | | | |
| 21195 | C | Reconst lwr jaw w/o fixation | | | | | |
| 21196 | C | Reconst lwr jaw w/fixation | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 21198 | T | Reconstr lwr jaw segment | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21199 | T | Reconstr lwr jaw w/advance | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21206 | T | Reconstruct upper jaw bone | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21208 | T | Augmentation of facial bones | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21209 | T | Reduction of facial bones | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21210 | T | Face bone graft | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21215 | T | Lower jaw bone graft | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21230 | T | Rib cartilage graft | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21235 | T | Ear cartilage graft | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21240 | T | Reconstruction of jaw joint | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21242 | T | Reconstruction of jaw joint | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21243 | T | Reconstruction of jaw joint | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21244 | T | Reconstruction of lower jaw | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21245 | T | Reconstruction of jaw | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21246 | T | Reconstruction of jaw | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21247 | C | Reconstruct lower jaw bone | | | | | |
| 21248 | T | Reconstruction of jaw | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21249 | T | Reconstruction of jaw | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21255 | C | Reconstruct lower jaw bone | | | | | |
| 21256 | C | Reconstruction of orbit | | | | | |
| 21260 | T | Revise eye sockets | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21261 | T | Revise eye sockets | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21263 | T | Revise eye sockets | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21267 | T | Revise eye sockets | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21268 | C | Revise eye sockets | | | | | |
| 21270 | T | Augmentation, cheek bone | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21275 | T | Revision, orbitofacial bones | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21280 | T | Revision of eyelid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21282 | T | Revision of eyelid | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21295 | T | Revision of jaw muscle/bone | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 21296 | T | Revision of jaw muscle/bone | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21299 | T | Cranio/maxillofacial surgery | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21300 | T | Treatment of skull fracture | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21310 | X | Treatment of nose fracture | 0340 | 0.66 | $34.33 | | $6.87 |
| 21315 | X | Treatment of nose fracture | 0340 | 0.66 | $34.33 | | $6.87 |
| 21320 | X | Treatment of nose fracture | 0340 | 0.66 | $34.33 | | $6.87 |
| 21325 | T | Treatment of nose fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21330 | T | Treatment of nose fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21335 | T | Treatment of nose fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21336 | T | Treat nasal septal fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 21337 | T | Treat nasal septal fracture | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21338 | T | Treat nasoethmoid fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21339 | T | Treat nasoethmoid fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21340 | T | Treatment of nose fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21343 | C | Treatment of sinus fracture | | | | | |
| 21344 | C | Treatment of sinus fracture | | | | | |
| 21345 | T | Treat nose/jaw fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21346 | C | Treat nose/jaw fracture | | | | | |
| 21347 | C | Treat nose/jaw fracture | | | | | |
| 21348 | C | Treat nose/jaw fracture | | | | | |
| 21355 | T | Treat cheek bone fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21356 | C | Treat cheek bone fracture | | | | | |
| 21360 | C | Treat cheek bone fracture | | | | | |
| 21365 | C | Treat cheek bone fracture | | | | | |
| 21366 | C | Treat cheek bone fracture | | | | | |
| 21385 | C | Treat eye socket fracture | | | | | |
| 21386 | C | Treat eye socket fracture | | | | | |
| 21387 | C | Treat eye socket fracture | | | | | |
| 21390 | T | Treat eye socket fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21395 | C | Treat eye socket fracture | | | | | |
| 21400 | T | Treat eye socket fracture | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 21401 | T | Treat eye socket fracture | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21406 | T | Treat eye socket fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21407 | T | Treat eye socket fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21408 | C | Treat eye socket fracture | | | | | |
| 21421 | T | Treat mouth roof fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 21422 | C | Treat mouth roof fracture | | | | | |
| 21423 | C | Treat mouth roof fracture | | | | | |
| 21431 | C | Treat craniofacial fracture | | | | | |
| 21432 | C | Treat craniofacial fracture | | | | | |
| 21433 | C | Treat craniofacial fracture | | | | | |
| 21435 | C | Treat craniofacial fracture | | | | | |
| 21436 | C | Treat craniofacial fracture | | | | | |
| 21440 | T | Treat dental ridge fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21445 | T | Treat dental ridge fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21450 | T | Treat lower jaw fracture | 0251 | 1.92 | $99.86 | | $19.97 |
| 21451 | T | Treat lower jaw fracture | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 21452 | T | Treat lower jaw fracture | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21453 | T | Treat lower jaw fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21454 | T | Treat lower jaw fracture | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 21461 | T | Treat lower jaw fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21462 | T | Treat lower jaw fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21465 | T | Treat lower jaw fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21470 | T | Treat lower jaw fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21480 | T | Reset dislocated jaw | 0251 | 1.92 | $99.86 | | $19.97 |
| 21485 | T | Reset dislocated jaw | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21490 | T | Repair dislocated jaw | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 21493 | T | Treat hyoid bone fracture | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 21494 | T | Treat hyoid bone fracture | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 21495 | C | Treat hyoid bone fracture | | | | | |
| 21497 | T | Interdental wiring | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21499 | T | Head surgery procedure | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 21501 | T | Drain neck/chest lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 21502 | T | Drain chest lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 21510 | C | Drainage of bone lesion | | | | | |
| 21550 | T | Biopsy of neck/chest | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 21555 | T | Remove lesion, neck/chest | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 21556 | T | Remove lesion, neck/chest | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 21557 | C | Remove tumor, neck/chest | | | | | |
| 21600 | T | Partial removal of rib | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 21610 | T | Partial removal of rib | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 21615 | C | Removal of rib | | | | | |
| 21616 | C | Removal of rib and nerves | | | | | |
| 21620 | C | Partial removal of sternum | | | | | |
| 21627 | C | Sternal debridement | | | | | |
| 21630 | C | Extensive sternum surgery | | | | | |
| 21632 | C | Extensive sternum surgery | | | | | |
| 21700 | T | Revision of neck muscle | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 21705 | C | Revision of neck muscle/rib | | | | | |
| 21720 | T | Revision of neck muscle | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 21725 | T | Revision of neck muscle | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 21740 | C | Reconstruction of sternum | | | | | |
| 21750 | C | Repair of sternum separation | | | | | |
| 21800 | T | Treatment of rib fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 21805 | T | Treatment of rib fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 21810 | C | Treatment of rib fracture(s) | | | | | |
| 21820 | T | Treat sternum fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 21825 | C | Treat sternum fracture | | | | | |
| 21899 | T | Neck/chest surgery procedure | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 21920 | T | Biopsy soft tissue of back | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 21925 | T | Biopsy soft tissue of back | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 21930 | T | Remove lesion, back or flank | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 21935 | T | Remove tumor, back | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 22100 | T | Remove part of neck vertebra | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 22101 | T | Remove part, thorax vertebra | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 22102 | T | Remove part, lumbar vertebra | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 22103 | T | Remove extra spine segment | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 22110 | C | Remove part of neck vertebra | | | | | |
| 22112 | C | Remove part, thorax vertebra | | | | | |
| 22114 | C | Remove part, lumbar vertebra | | | | | |
| 22116 | C | Remove extra spine segment | | | | | |
| 22210 | C | Revision of neck spine | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 22212 | C | Revision of thorax spine | | | | | |
| 22214 | C | Revision of lumbar spine | | | | | |
| 22216 | C | Revise, extra spine segment | | | | | |
| 22220 | C | Revision of neck spine | | | | | |
| 22222 | C | Revision of thorax spine | | | | | |
| 22224 | C | Revision of lumbar spine | | | | | |
| 22226 | C | Revise, extra spine segment | | | | | |
| 22305 | T | Treat spine process fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 22310 | T | Treat spine fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 22315 | T | Treat spine fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 22318 | C | Treat odontoid fx w/o graft | | | | | |
| 22319 | C | Treat odontoid fx w/graft | | | | | |
| 22325 | C | Treat spine fracture | | | | | |
| 22326 | C | Treat neck spine fracture | | | | | |
| 22327 | C | Treat thorax spine fracture | | | | | |
| 22328 | C | Treat each add spine fx | | | | | |
| 22505 | T | Manipulation of spine | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 22520 | T | Percut vertebroplasty thor | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 22521 | T | Percut vertebroplasty lumb | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 22522 | T | Percut vertebroplasty addl | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 22548 | C | Neck spine fusion | | | | | |
| 22554 | C | Neck spine fusion | | | | | |
| 22556 | C | Thorax spine fusion | | | | | |
| 22558 | C | Lumbar spine fusion | | | | | |
| 22585 | C | Additional spinal fusion | | | | | |
| 22590 | C | Spine & skull spinal fusion | | | | | |
| 22595 | C | Neck spinal fusion | | | | | |
| 22600 | C | Neck spine fusion | | | | | |
| 22610 | C | Thorax spine fusion | | | | | |
| 22612 | C | Lumbar spine fusion | | | | | |
| 22614 | C | Spine fusion, extra segment | | | | | |
| 22630 | C | Lumbar spine fusion | | | | | |
| 22632 | C | Spine fusion, extra segment | | | | | |
| 22800 | C | Fusion of spine | | | | | |
| 22802 | C | Fusion of spine | | | | | |
| 22804 | C | Fusion of spine | | | | | |
| 22808 | C | Fusion of spine | | | | | |
| 22810 | C | Fusion of spine | | | | | |
| 22812 | C | Fusion of spine | | | | | |
| 22818 | C | Kyphectomy, 1-2 segments | | | | | |
| 22819 | C | Kyphectomy, 3 or more | | | | | |
| 22830 | C | Exploration of spinal fusion | | | | | |
| 22840 | C | Insert spine fixation device | | | | | |
| 22841 | C | Insert spine fixation device | | | | | |
| 22842 | C | Insert spine fixation device | | | | | |
| 22843 | C | Insert spine fixation device | | | | | |
| 22844 | C | Insert spine fixation device | | | | | |
| 22845 | C | Insert spine fixation device | | | | | |
| 22846 | C | Insert spine fixation device | | | | | |
| 22847 | C | Insert spine fixation device | | | | | |
| 22848 | C | Insert pelv fixation device | | | | | |
| 22849 | C | Reinsert spinal fixation | | | | | |
| 22850 | C | Remove spine fixation device | | | | | |
| 22851 | C | Apply spine prosth device | | | | | |
| 22852 | C | Remove spine fixation device | | | | | |
| 22855 | C | Remove spine fixation device | | | | | |
| 22899 | T | Spine surgery procedure | 0043 | 1.68 | $87.38 | | $17.48 |
| 22900 | T | Remove abdominal wall lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 22999 | T | Abdomen surgery procedure | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 23000 | T | Removal of calcium deposits | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 23020 | T | Release shoulder joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23030 | T | Drain shoulder lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 23031 | T | Drain shoulder bursa | 0008 | 16.32 | $848.79 | | $169.76 |
| 23035 | T | Drain shoulder bone lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 23040 | T | Exploratory shoulder surgery | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23044 | T | Exploratory shoulder surgery | 0050 | 23.60 | $1,227.41 | | $245.48 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 23065 | T | Biopsy shoulder tissues | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 23066 | T | Biopsy shoulder tissues | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 23075 | T | Removal of shoulder lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 23076 | T | Removal of shoulder lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 23077 | T | Remove tumor of shoulder | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 23100 | T | Biopsy of shoulder joint | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 23101 | T | Shoulder joint surgery | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23105 | T | Remove shoulder joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23106 | T | Incision of collarbone joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23107 | T | Explore treat shoulder joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23120 | T | Partial removal, collar bone | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23125 | T | Removal of collar bone | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23130 | T | Remove shoulder bone, part | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23140 | T | Removal of bone lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 23145 | T | Removal of bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23146 | T | Removal of bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23150 | T | Removal of humerus lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23155 | T | Removal of humerus lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23156 | T | Removal of humerus lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23170 | T | Remove collar bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23172 | T | Remove shoulder blade lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23174 | T | Remove humerus lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23180 | T | Remove collar bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23182 | T | Remove shoulder blade lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23184 | T | Remove humerus lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23190 | T | Partial removal of scapula | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23195 | T | Removal of head of humerus | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23200 | C | Removal of collar bone | | | | | |
| 23210 | C | Removal of shoulder blade | | | | | |
| 23220 | C | Partial removal of humerus | | | | | |
| 23221 | C | Partial removal of humerus | | | | | |
| 23222 | C | Partial removal of humerus | | | | | |
| 23330 | T | Remove shoulder foreign body | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 23331 | T | Remove shoulder foreign body | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 23332 | C | Remove shoulder foreign body | | | | | |
| 23350 | N | Injection for shoulder x-ray | | | | | |
| 23395 | T | Muscle transfer,shoulder/arm | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23397 | T | Muscle transfers | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23400 | T | Fixation of shoulder blade | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23405 | T | Incision of tendon & muscle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23406 | T | Incise tendon(s) & muscle(s) | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 23410 | T | Repair of tendon(s) | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23412 | T | Repair of tendon(s) | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23415 | T | Release of shoulder ligament | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23420 | T | Repair of shoulder | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23430 | T | Repair biceps tendon | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23440 | T | Remove/transplant tendon | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23450 | T | Repair shoulder capsule | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23455 | T | Repair shoulder capsule | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23460 | T | Repair shoulder capsule | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23462 | T | Repair shoulder capsule | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23465 | T | Repair shoulder capsule | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23466 | T | Repair shoulder capsule | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 23470 | T | Reconstruct shoulder joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 23472 | C | Reconstruct shoulder joint | | | | | |
| 23480 | T | Revision of collar bone | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23485 | T | Revision of collar bone | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23490 | T | Reinforce clavicle | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23491 | T | Reinforce shoulder bones | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23500 | T | Treat clavicle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23505 | T | Treat clavicle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23515 | T | Treat clavicle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23520 | T | Treat clavicle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 23525 | T | Treat clavicle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 23530 | T | Treat clavicle dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23532 | T | Treat clavicle dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 23540 | T | Treat clavicle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 23545 | T | Treat clavicle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 23550 | T | Treat clavicle dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23552 | T | Treat clavicle dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23570 | T | Treat shoulder blade fx | 0043 | 1.68 | $87.38 | | $17.48 |
| 23575 | T | Treat shoulder blade fx | 0043 | 1.68 | $87.38 | | $17.48 |
| 23585 | T | Treat scapula fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23600 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23605 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23615 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23616 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23620 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23625 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23630 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23650 | T | Treat shoulder dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 23655 | T | Treat shoulder dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 23660 | T | Treat shoulder dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23665 | T | Treat dislocation/fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23670 | T | Treat dislocation/fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23675 | T | Treat dislocation/fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 23680 | T | Treat dislocation/fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 23700 | T | Fixation of shoulder | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 23800 | T | Fusion of shoulder joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23802 | T | Fusion of shoulder joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 23900 | C | Amputation of arm & girdle | | | | | |
| 23920 | C | Amputation at shoulder joint | | | | | |
| 23921 | T | Amputation follow-up surgery | 0025 | 5.89 | $306.33 | $116.41 | $61.27 |
| 23929 | T | Shoulder surgery procedure | 0043 | 1.68 | $87.38 | | $17.48 |
| 23930 | T | Drainage of arm lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 23931 | T | Drainage of arm bursa | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 23935 | T | Drain arm/elbow bone lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24000 | T | Exploratory elbow surgery | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24006 | T | Release elbow joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24065 | T | Biopsy arm/elbow soft tissue | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 24066 | T | Biopsy arm/elbow soft tissue | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 24075 | T | Remove arm/elbow lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 24076 | T | Remove arm/elbow lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 24077 | T | Remove tumor of arm/elbow | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 24100 | T | Biopsy elbow joint lining | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24101 | T | Explore/treat elbow joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24102 | T | Remove elbow joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24105 | T | Removal of elbow bursa | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24110 | T | Remove humerus lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24115 | T | Remove/graft bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24116 | T | Remove/graft bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24120 | T | Remove elbow lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24125 | T | Remove/graft bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24126 | T | Remove/graft bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24130 | T | Removal of head of radius | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24134 | T | Removal of arm bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24136 | T | Remove radius bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24138 | T | Remove elbow bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24140 | T | Partial removal of arm bone | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24145 | T | Partial removal of radius | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24147 | T | Partial removal of elbow | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24149 | C | Radical resection of elbow | | | | | |
| 24150 | T | Extensive humerus surgery | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 24151 | T | Extensive humerus surgery | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 24152 | T | Extensive radius surgery | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 24153 | T | Extensive radius surgery | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 24155 | T | Removal of elbow joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24160 | T | Remove elbow joint implant | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24164 | T | Remove radius head implant | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24200 | T | Removal of arm foreign body | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 24201 | T | Removal of arm foreign body | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 24220 | N | Injection for elbow x-ray | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 24300 | T | Manipulate elbow w/anesth | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 24301 | T | Muscle/tendon transfer | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24305 | T | Arm tendon lengthening | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24310 | T | Revision of arm tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24320 | T | Repair of arm tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24330 | T | Revision of arm muscles | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24331 | T | Revision of arm muscles | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24332 | T | Tenolysis, triceps | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24340 | T | Repair of biceps tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24341 | T | Repair arm tendon/muscle | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24342 | T | Repair of ruptured tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24343 | T | Repr elbow lat ligmnt w/tiss | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24344 | T | Reconstruct elbow lat ligmnt | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24345 | T | Repr elbw med ligmnt w/tiss | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24346 | T | Reconstruct elbow med ligmnt | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24350 | T | Repair of tennis elbow | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24351 | T | Repair of tennis elbow | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24352 | T | Repair of tennis elbow | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24354 | T | Repair of tennis elbow | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24356 | T | Revision of tennis elbow | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24360 | T | Reconstruct elbow joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 24361 | T | Reconstruct elbow joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 24362 | T | Reconstruct elbow joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 24363 | T | Replace elbow joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 24365 | T | Reconstruct head of radius | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 24366 | T | Reconstruct head of radius | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 24400 | T | Revision of humerus | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24410 | T | Revision of humerus | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24420 | T | Revision of humerus | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24430 | T | Repair of humerus | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24435 | T | Repair humerus with graft | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24470 | T | Revision of elbow joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24495 | T | Decompression of forearm | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 24498 | T | Reinforce humerus | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24500 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24505 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24515 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24516 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24530 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24535 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24538 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24545 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24546 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24560 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24565 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24566 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24575 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24576 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24577 | T | Treat humerus fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24579 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24582 | T | Treat humerus fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24586 | T | Treat elbow fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24587 | T | Treat elbow fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24600 | T | Treat elbow dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 24605 | T | Treat elbow dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 24615 | T | Treat elbow dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24620 | T | Treat elbow fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24635 | T | Treat elbow fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24640 | T | Treat elbow dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 24650 | T | Treat radius fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24655 | T | Treat radius fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24665 | T | Treat radius fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24666 | T | Treat radius fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 24670 | T | Treat ulnar fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24675 | T | Treat ulnar fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 24685 | T | Treat ulnar fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 24800 | T | Fusion of elbow joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24802 | T | Fusion/graft of elbow joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 24900 | C | Amputation of upper arm | | | | | |
| 24920 | C | Amputation of upper arm | | | | | |
| 24925 | T | Amputation follow-up surgery | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 24930 | C | Amputation follow-up surgery | | | | | |
| 24931 | C | Amputate upper arm & implant | | | | | |
| 24935 | T | Revision of amputation | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 24940 | C | Revision of upper arm | | | | | |
| 24999 | T | Upper arm/elbow surgery | 0043 | 1.68 | $87.38 | | $17.48 |
| 25000 | T | Incision of tendon sheath | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25001 | T | Incise flexor carpi radialis | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25020 | T | Decompress forearm 1 space | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25023 | T | Decompress forearm 1 space | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25024 | T | Decompress forearm 2 spaces | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25025 | T | Decompress forarm 2 spaces | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25028 | T | Drainage of forearm lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25031 | T | Drainage of forearm bursa | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25035 | T | Treat forearm bone lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25040 | T | Explore/treat wrist joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25065 | T | Biopsy forearm soft tissues | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 25066 | T | Biopsy forearm soft tissues | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 25075 | T | Remove forearm lesion subcut | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 25076 | T | Remove forearm lesion deep | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 25077 | T | Remove tumor, forearm/wrist | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 25085 | T | Incision of wrist capsule | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25100 | T | Biopsy of wrist joint | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25101 | T | Explore/treat wrist joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25105 | T | Remove wrist joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25107 | T | Remove wrist joint cartilage | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25110 | T | Remove wrist tendon lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25111 | T | Remove wrist tendon lesion | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 25112 | T | Reremove wrist tendon lesion | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 25115 | T | Remove wrist/forearm lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25116 | T | Remove wrist/forearm lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25118 | T | Excise wrist tendon sheath | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25119 | T | Partial removal of ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25120 | T | Removal of forearm lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25125 | T | Remove/graft forearm lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25126 | T | Remove/graft forearm lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25130 | T | Removal of wrist lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25135 | T | Remove & graft wrist lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25136 | T | Remove & graft wrist lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25145 | T | Remove forearm bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25150 | T | Partial removal of ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25151 | T | Partial removal of radius | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25170 | T | Extensive forearm surgery | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 25210 | T | Removal of wrist bone | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 25215 | T | Removal of wrist bones | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 25230 | T | Partial removal of radius | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25240 | T | Partial removal of ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25246 | N | Injection for wrist x-ray | | | | | |
| 25248 | T | Remove forearm foreign body | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25250 | T | Removal of wrist prosthesis | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25251 | T | Removal of wrist prosthesis | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25259 | T | Manipulate wrist w/anesthes | 0043 | 1.68 | $87.38 | | $17.48 |
| 25260 | T | Repair forearm tendon/muscle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25263 | T | Repair forearm tendon/muscle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25265 | T | Repair forearm tendon/muscle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25270 | T | Repair forearm tendon/muscle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25272 | T | Repair forearm tendon/muscle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25274 | T | Repair forearm tendon/muscle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25275 | T | Repair forearm tendon sheath | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25280 | T | Revise wrist/forearm tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25290 | T | Incise wrist/forearm tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25295 | T | Release wrist/forearm tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 25300 | T | Fusion of tendons at wrist | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25301 | T | Fusion of tendons at wrist | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25310 | T | Transplant forearm tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25312 | T | Transplant forearm tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25315 | T | Revise palsy hand tendon(s) | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25316 | T | Revise palsy hand tendon(s) | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25320 | T | Repair/revise wrist joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25332 | T | Revise wrist joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 25335 | T | Realignment of hand | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25337 | T | Reconstruct ulna/radioulnar | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25350 | T | Revision of radius | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25355 | T | Revision of radius | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25360 | T | Revision of ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25365 | T | Revise radius & ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25370 | T | Revise radius or ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25375 | T | Revise radius & ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25390 | T | Shorten radius or ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25391 | T | Lengthen radius or ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25392 | T | Shorten radius & ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25393 | T | Lengthen radius & ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25394 | T | Repair carpal bone, shorten | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 25400 | T | Repair radius or ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25405 | T | Repair/graft radius or ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25415 | T | Repair radius & ulna | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 25420 | T | Repair/graft radius & ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25425 | T | Repair/graft radius or ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25426 | T | Repair/graft radius & ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25430 | T | Vasc graft into carpal bone | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 25431 | T | Repair nonunion carpal bone | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 25440 | T | Repair/graft wrist bone | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25441 | T | Reconstruct wrist joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 25442 | T | Reconstruct wrist joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 25443 | T | Reconstruct wrist joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 25444 | T | Reconstruct wrist joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 25445 | T | Reconstruct wrist joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 25446 | T | Wrist replacement | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 25447 | T | Repair wrist joint(s) | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 25449 | T | Remove wrist joint implant | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 25450 | T | Revision of wrist joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25455 | T | Revision of wrist joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25490 | T | Reinforce radius | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25491 | T | Reinforce ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25492 | T | Reinforce radius and ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25500 | T | Treat fracture of radius | 0043 | 1.68 | $87.38 | | $17.48 |
| 25505 | T | Treat fracture of radius | 0043 | 1.68 | $87.38 | | $17.48 |
| 25515 | T | Treat fracture of radius | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25520 | T | Treat fracture of radius | 0043 | 1.68 | $87.38 | | $17.48 |
| 25525 | T | Treat fracture of radius | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25526 | T | Treat fracture of radius | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25530 | T | Treat fracture of ulna | 0043 | 1.68 | $87.38 | | $17.48 |
| 25535 | T | Treat fracture of ulna | 0043 | 1.68 | $87.38 | | $17.48 |
| 25545 | T | Treat fracture of ulna | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25560 | T | Treat fracture radius & ulna | 0043 | 1.68 | $87.38 | | $17.48 |
| 25565 | T | Treat fracture radius & ulna | 0043 | 1.68 | $87.38 | | $17.48 |
| 25574 | T | Treat fracture radius & ulna | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25575 | T | Treat fracture radius/ulna | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25600 | T | Treat fracture radius/ulna | 0043 | 1.68 | $87.38 | | $17.48 |
| 25605 | T | Treat fracture radius/ulna | 0043 | 1.68 | $87.38 | | $17.48 |
| 25611 | T | Treat fracture radius/ulna | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25620 | T | Treat fracture radius/ulna | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25622 | T | Treat wrist bone fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 25624 | T | Treat wrist bone fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 25628 | T | Treat wrist bone fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25630 | T | Treat wrist bone fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 25635 | T | Treat wrist bone fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 25645 | T | Treat wrist bone fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 25650 | T | Treat wrist bone fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 25651 | T | Pin ulnar styloid fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25652 | T | Treat fracture ulnar styloid | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25660 | T | Treat wrist dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 25670 | T | Treat wrist dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25671 | T | Pin radioulnar dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25675 | T | Treat wrist dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 25676 | T | Treat wrist dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25680 | T | Treat wrist fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 25685 | T | Treat wrist fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25690 | T | Treat wrist dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 25695 | T | Treat wrist dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 25800 | T | Fusion of wrist joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25805 | T | Fusion/graft of wrist joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25810 | T | Fusion/graft of wrist joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25820 | T | Fusion of hand bones | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 25825 | T | Fuse hand bones with graft | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 25830 | T | Fusion, radioulnar jnt/ulna | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 25900 | C | Amputation of forearm | | | | | |
| 25905 | C | Amputation of forearm | | | | | |
| 25907 | T | Amputation follow-up surgery | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25909 | C | Amputation follow-up surgery | | | | | |
| 25915 | C | Amputation of forearm | | | | | |
| 25920 | C | Amputate hand at wrist | | | | | |
| 25922 | T | Amputate hand at wrist | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 25924 | C | Amputation follow-up surgery | | | | | |
| 25927 | C | Amputation of hand | | | | | |
| 25929 | T | Amputation follow-up surgery | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 25931 | C | Amputation follow-up surgery | | | | | |
| 25999 | T | Forearm or wrist surgery | 0043 | 1.68 | $87.38 | | $17.48 |
| 26010 | T | Drainage of finger abscess | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 26011 | T | Drainage of finger abscess | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 26020 | T | Drain hand tendon sheath | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26025 | T | Drainage of palm bursa | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26030 | T | Drainage of palm bursa(s) | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26034 | T | Treat hand bone lesion | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26035 | T | Decompress fingers/hand | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26037 | T | Decompress fingers/hand | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26040 | T | Release palm contracture | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26045 | T | Release palm contracture | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26055 | T | Incise finger tendon sheath | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26060 | T | Incision of finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26070 | T | Explore/treat hand joint | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26075 | T | Explore/treat finger joint | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26080 | T | Explore/treat finger joint | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26100 | T | Biopsy hand joint lining | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26105 | T | Biopsy finger joint lining | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26110 | T | Biopsy finger joint lining | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26115 | T | Remove hand lesion subcut | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 26116 | T | Remove hand lesion, deep | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 26117 | T | Remove tumor, hand/finger | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 26121 | T | Release palm contracture | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26123 | T | Release palm contracture | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26125 | T | Release palm contracture | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26130 | T | Remove wrist joint lining | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26135 | T | Revise finger joint, each | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26140 | T | Revise finger joint, each | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26145 | T | Tendon excision, palm/finger | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26160 | T | Remove tendon sheath lesion | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26170 | T | Removal of palm tendon, each | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26180 | T | Removal of finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26185 | T | Remove finger bone | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26200 | T | Remove hand bone lesion | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26205 | T | Remove/graft bone lesion | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26210 | T | Removal of finger lesion | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26215 | T | Remove/graft finger lesion | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 26230 | T | Partial removal of hand bone | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26235 | T | Partial removal, finger bone | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26236 | T | Partial removal, finger bone | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26250 | T | Extensive hand surgery | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26255 | T | Extensive hand surgery | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26260 | T | Extensive finger surgery | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26261 | T | Extensive finger surgery | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26262 | T | Partial removal of finger | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26320 | T | Removal of implant from hand | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 26340 | T | Manipulate finger w/anesth | 0043 | 1.68 | $87.38 | | $17.48 |
| 26350 | T | Repair finger/hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26352 | T | Repair/graft hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26356 | T | Repair finger/hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26357 | T | Repair finger/hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26358 | T | Repair/graft hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26370 | T | Repair finger/hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26372 | T | Repair/graft hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26373 | T | Repair finger/hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26390 | T | Revise hand/finger tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26392 | T | Repair/graft hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26410 | T | Repair hand tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26412 | T | Repair/graft hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26415 | T | Excision, hand/finger tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26416 | T | Graft hand or finger tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26418 | T | Repair finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26420 | T | Repair/graft finger tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26426 | T | Repair finger/hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26428 | T | Repair/graft finger tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26432 | T | Repair finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26433 | T | Repair finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26434 | T | Repair/graft finger tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26437 | T | Realignment of tendons | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26440 | T | Release palm/finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26442 | T | Release palm & finger tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26445 | T | Release hand/finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26449 | T | Release forearm/hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26450 | T | Incision of palm tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26455 | T | Incision of finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26460 | T | Incise hand/finger tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26471 | T | Fusion of finger tendons | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26474 | T | Fusion of finger tendons | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26476 | T | Tendon lengthening | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26477 | T | Tendon shortening | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26478 | T | Lengthening of hand tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26479 | T | Shortening of hand tendon | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26480 | T | Transplant hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26483 | T | Transplant/graft hand tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26485 | T | Transplant palm tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26489 | T | Transplant/graft palm tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26490 | T | Revise thumb tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26492 | T | Tendon transfer with graft | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26494 | T | Hand tendon/muscle transfer | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26496 | T | Revise thumb tendon | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26497 | T | Finger tendon transfer | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26498 | T | Finger tendon transfer | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26499 | T | Revision of finger | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26500 | T | Hand tendon reconstruction | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26502 | T | Hand tendon reconstruction | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26504 | T | Hand tendon reconstruction | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26508 | T | Release thumb contracture | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26510 | T | Thumb tendon transfer | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26516 | T | Fusion of knuckle joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26517 | T | Fusion of knuckle joints | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26518 | T | Fusion of knuckle joints | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26520 | T | Release knuckle contracture | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26525 | T | Release finger contracture | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 26530 | T | Revise knuckle joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 26531 | T | Revise knuckle with implant | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 26535 | T | Revise finger joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 26536 | T | Revise/implant finger joint | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 26540 | T | Repair hand joint | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26541 | T | Repair hand joint with graft | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26542 | T | Repair hand joint with graft | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26545 | T | Reconstruct finger joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26546 | T | Repair nonunion hand | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26548 | T | Reconstruct finger joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26550 | T | Construct thumb replacement | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26551 | C | Great toe-hand transfer | | | | | |
| 26553 | C | Single transfer, toe-hand | | | | | |
| 26554 | C | Double transfer, toe-hand | | | | | |
| 26555 | T | Positional change of finger | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26556 | C | Toe joint transfer | | | | | |
| 26560 | T | Repair of web finger | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26561 | T | Repair of web finger | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26562 | T | Repair of web finger | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26565 | T | Correct metacarpal flaw | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26567 | T | Correct finger deformity | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26568 | T | Lengthen metacarpal/finger | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26580 | T | Repair hand deformity | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26587 | T | Reconstruct extra finger | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26590 | T | Repair finger deformity | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26591 | T | Repair muscles of hand | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26593 | T | Release muscles of hand | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26596 | T | Excision constricting tissue | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26600 | T | Treat metacarpal fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 26605 | T | Treat metacarpal fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 26607 | T | Treat metacarpal fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 26608 | T | Treat metacarpal fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26615 | T | Treat metacarpal fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26641 | T | Treat thumb dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 26645 | T | Treat thumb fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 26650 | T | Treat thumb fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26665 | T | Treat thumb fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26670 | T | Treat hand dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 26675 | T | Treat hand dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 26676 | T | Pin hand dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26685 | T | Treat hand dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26686 | T | Treat hand dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26700 | T | Treat knuckle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 26705 | T | Treat knuckle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 26706 | T | Pin knuckle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 26715 | T | Treat knuckle dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26720 | T | Treat finger fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 26725 | T | Treat finger fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 26727 | T | Treat finger fracture, each | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26735 | T | Treat finger fracture, each | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26740 | T | Treat finger fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 26742 | T | Treat finger fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 26746 | T | Treat finger fracture, each | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26750 | T | Treat finger fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 26755 | T | Treat finger fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 26756 | T | Pin finger fracture, each | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26765 | T | Treat finger fracture, each | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26770 | T | Treat finger dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 26775 | T | Treat finger dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 26776 | T | Pin finger dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26785 | T | Treat finger dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 26820 | T | Thumb fusion with graft | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26841 | T | Fusion of thumb | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26842 | T | Thumb fusion with graft | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26843 | T | Fusion of hand joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26844 | T | Fusion/graft of hand joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 26850 | T | Fusion of knuckle | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26852 | T | Fusion of knuckle with graft | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26860 | T | Fusion of finger joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26861 | T | Fusion of finger jnt, add-on | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26862 | T | Fusion/graft of finger joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26863 | T | Fuse/graft added joint | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26910 | T | Amputate metacarpal bone | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 26951 | T | Amputation of finger/thumb | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26952 | T | Amputation of finger/thumb | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 26989 | T | Hand/finger surgery | 0043 | 1.68 | $87.38 | | $17.48 |
| 26990 | T | Drainage of pelvis lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 26991 | T | Drainage of pelvis bursa | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 26992 | C | Drainage of bone lesion | | | | | |
| 27000 | T | Incision of hip tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27001 | T | Incision of hip tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27003 | T | Incision of hip tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27005 | C | Incision of hip tendon | | | | | |
| 27006 | C | Incision of hip tendons | | | | | |
| 27025 | C | Incision of hip/thigh fascia | | | | | |
| 27030 | C | Drainage of hip joint | | | | | |
| 27033 | T | Exploration of hip joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27035 | T | Denervation of hip joint | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 27036 | C | Excision of hip joint/muscle | | | | | |
| 27040 | T | Biopsy of soft tissues | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 27041 | T | Biopsy of soft tissues | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27047 | T | Remove hip/pelvis lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27048 | T | Remove hip/pelvis lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27049 | T | Remove tumor, hip/pelvis | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27050 | T | Biopsy of sacroiliac joint | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27052 | T | Biopsy of hip joint | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27054 | C | Removal of hip joint lining | | | | | |
| 27060 | T | Removal of ischial bursa | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27062 | T | Remove femur lesion/bursa | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27065 | T | Removal of hip bone lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27066 | T | Removal of hip bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27067 | T | Remove/graft hip bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27070 | C | Partial removal of hip bone | | | | | |
| 27071 | C | Partial removal of hip bone | | | | | |
| 27075 | C | Extensive hip surgery | | | | | |
| 27076 | C | Extensive hip surgery | | | | | |
| 27077 | C | Extensive hip surgery | | | | | |
| 27078 | C | Extensive hip surgery | | | | | |
| 27079 | C | Extensive hip surgery | | | | | |
| 27080 | T | Removal of tail bone | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27086 | T | Remove hip foreign body | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 27087 | T | Remove hip foreign body | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27090 | C | Removal of hip prosthesis | | | | | |
| 27091 | C | Removal of hip prosthesis | | | | | |
| 27093 | N | Injection for hip x-ray | | | | | |
| 27095 | N | Injection for hip x-ray | | | | | |
| 27096 | N | Inject sacroiliac joint | | | | | |
| 27097 | T | Revision of hip tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27098 | T | Transfer tendon to pelvis | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27100 | T | Transfer of abdominal muscle | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27105 | T | Transfer of spinal muscle | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27110 | T | Transfer of iliopsoas muscle | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27111 | T | Transfer of iliopsoas muscle | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27120 | C | Reconstruction of hip socket | | | | | |
| 27122 | C | Reconstruction of hip socket | | | | | |
| 27125 | C | Partial hip replacement | | | | | |
| 27130 | C | Total hip arthroplasty | | | | | |
| 27132 | C | Total hip arthroplasty | | | | | |
| 27134 | C | Revise hip joint replacement | | | | | |
| 27137 | C | Revise hip joint replacement | | | | | |
| 27138 | C | Revise hip joint replacement | | | | | |
| 27140 | C | Transplant femur ridge | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 27146 | C | Incision of hip bone | | | | | |
| 27147 | C | Revision of hip bone | | | | | |
| 27151 | C | Incision of hip bones | | | | | |
| 27156 | C | Revision of hip bones | | | | | |
| 27158 | C | Revision of pelvis | | | | | |
| 27161 | C | Incision of neck of femur | | | | | |
| 27165 | C | Incision/fixation of femur | | | | | |
| 27170 | C | Repair/graft femur head/neck | | | | | |
| 27175 | C | Treat slipped epiphysis | | | | | |
| 27176 | C | Treat slipped epiphysis | | | | | |
| 27177 | C | Treat slipped epiphysis | | | | | |
| 27178 | C | Treat slipped epiphysis | | | | | |
| 27179 | C | Revise head/neck of femur | | | | | |
| 27181 | C | Treat slipped epiphysis | | | | | |
| 27185 | C | Revision of femur epiphysis | | | | | |
| 27187 | C | Reinforce hip bones | | | | | |
| 27193 | T | Treat pelvic ring fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27194 | T | Treat pelvic ring fracture | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27200 | T | Treat tail bone fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27202 | T | Treat tail bone fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27215 | C | Treat pelvic fracture(s) | | | | | |
| 27216 | T | Treat pelvic ring fracture | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27217 | C | Treat pelvic ring fracture | | | | | |
| 27218 | C | Treat pelvic ring fracture | | | | | |
| 27220 | T | Treat hip socket fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27222 | C | Treat hip socket fracture | | | | | |
| 27226 | C | Treat hip wall fracture | | | | | |
| 27227 | C | Treat hip fracture(s) | | | | | |
| 27228 | C | Treat hip fracture(s) | | | | | |
| 27230 | T | Treat thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27232 | C | Treat thigh fracture | | | | | |
| 27235 | T | Treat thigh fracture | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27236 | C | Treat thigh fracture | | | | | |
| 27238 | T | Treat thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27240 | C | Treat thigh fracture | | | | | |
| 27244 | C | Treat thigh fracture | | | | | |
| 27245 | C | Treat thigh fracture | | | | | |
| 27246 | T | Treat thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27248 | C | Treat thigh fracture | | | | | |
| 27250 | T | Treat hip dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27252 | T | Treat hip dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27253 | C | Treat hip dislocation | | | | | |
| 27254 | C | Treat hip dislocation | | | | | |
| 27256 | T | Treat hip dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27257 | T | Treat hip dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27258 | C | Treat hip dislocation | | | | | |
| 27259 | C | Treat hip dislocation | | | | | |
| 27265 | T | Treat hip dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27266 | T | Treat hip dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27275 | T | Manipulation of hip joint | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27280 | C | Fusion of sacroiliac joint | | | | | |
| 27282 | C | Fusion of pubic bones | | | | | |
| 27284 | C | Fusion of hip joint | | | | | |
| 27286 | C | Fusion of hip joint | | | | | |
| 27290 | C | Amputation of leg at hip | | | | | |
| 27295 | C | Amputation of leg at hip | | | | | |
| 27299 | T | Pelvis/hip joint surgery | 0043 | 1.68 | $87.38 | | $17.48 |
| 27301 | T | Drain thigh/knee lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 27303 | C | Drainage of bone lesion | | | | | |
| 27305 | T | Incise thigh tendon & fascia | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27306 | T | Incision of thigh tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27307 | T | Incision of thigh tendons | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27310 | T | Exploration of knee joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27315 | T | Partial removal, thigh nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 27320 | T | Partial removal, thigh nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 27323 | T | Biopsy, thigh soft tissues | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 27324 | T | Biopsy, thigh soft tissues | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27327 | T | Removal of thigh lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27328 | T | Removal of thigh lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27329 | T | Remove tumor, thigh/knee | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27330 | T | Biopsy, knee joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27331 | T | Explore/treat knee joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27332 | T | Removal of knee cartilage | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27333 | T | Removal of knee cartilage | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27334 | T | Remove knee joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27335 | T | Remove knee joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27340 | T | Removal of kneecap bursa | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27345 | T | Removal of knee cyst | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27347 | T | Remove knee cyst | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27350 | T | Removal of kneecap | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27355 | T | Remove femur lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27356 | T | Remove femur lesion/graft | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27357 | T | Remove femur lesion/graft | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27358 | T | Remove femur lesion/fixation | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27360 | T | Partial removal, leg bone(s) | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27365 | C | Extensive leg surgery | | | | | |
| 27370 | N | Injection for knee x-ray | | | | | |
| 27372 | T | Removal of foreign body | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27380 | T | Repair of kneecap tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27381 | T | Repair/graft kneecap tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27385 | T | Repair of thigh muscle | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27386 | T | Repair/graft of thigh muscle | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27390 | T | Incision of thigh tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27391 | T | Incision of thigh tendons | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27392 | T | Incision of thigh tendons | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27393 | T | Lengthening of thigh tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27394 | T | Lengthening of thigh tendons | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27395 | T | Lengthening of thigh tendons | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27396 | T | Transplant of thigh tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27397 | T | Transplants of thigh tendons | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27400 | T | Revise thigh muscles/tendons | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27403 | T | Repair of knee cartilage | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27405 | T | Repair of knee ligament | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27407 | T | Repair of knee ligament | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27409 | T | Repair of knee ligaments | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27418 | T | Repair degenerated kneecap | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27420 | T | Revision of unstable kneecap | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27422 | T | Revision of unstable kneecap | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27424 | T | Revision/removal of kneecap | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27425 | T | Lateral retinacular release | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27427 | T | Reconstruction, knee | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 27428 | T | Reconstruction, knee | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 27429 | T | Reconstruction, knee | 0052 | 42.37 | $2,203.62 | | $440.72 |
| 27430 | T | Revision of thigh muscles | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27435 | T | Incision of knee joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27437 | T | Revise kneecap | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 27438 | T | Revise kneecap with implant | 0048 | 36.93 | $1,920.69 | $633.83 | $384.14 |
| 27440 | T | Revision of knee joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 27441 | T | Revision of knee joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 27442 | T | Revision of knee joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 27443 | T | Revision of knee joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 27445 | C | Revision of knee joint | | | | | |
| 27446 | T | Revision of knee joint | 0681 | 158.14 | $8,224.70 | $3,289.88 | $1,644.94 |
| 27447 | C | Total knee arthroplasty | | | | | |
| 27448 | C | Incision of thigh | | | | | |
| 27450 | C | Incision of thigh | | | | | |
| 27454 | C | Realignment of thigh bone | | | | | |
| 27455 | C | Realignment of knee | | | | | |
| 27457 | C | Realignment of knee | | | | | |
| 27465 | C | Shortening of thigh bone | | | | | |
| 27466 | C | Lengthening of thigh bone | | | | | |
| 27468 | C | Shorten/lengthen thighs | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 27470 | C | Repair of thigh | | | | | |
| 27472 | C | Repair/graft of thigh | | | | | |
| 27475 | C | Surgery to stop leg growth | | | | | |
| 27477 | C | Surgery to stop leg growth | | | | | |
| 27479 | C | Surgery to stop leg growth | | | | | |
| 27485 | C | Surgery to stop leg growth | | | | | |
| 27486 | C | Revise/replace knee joint | | | | | |
| 27487 | C | Revise/replace knee joint | | | | | |
| 27488 | C | Removal of knee prosthesis | | | | | |
| 27495 | C | Reinforce thigh | | | | | |
| 27496 | T | Decompression of thigh/knee | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27497 | T | Decompression of thigh/knee | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27498 | T | Decompression of thigh/knee | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27499 | T | Decompression of thigh/knee | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27500 | T | Treatment of thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27501 | T | Treatment of thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27502 | T | Treatment of thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27503 | T | Treatment of thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27506 | C | Treatment of thigh fracture | | | | | |
| 27507 | C | Treatment of thigh fracture | | | | | |
| 27508 | T | Treatment of thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27509 | T | Treatment of thigh fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27510 | T | Treatment of thigh fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27511 | C | Treatment of thigh fracture | | | | | |
| 27513 | C | Treatment of thigh fracture | | | | | |
| 27514 | C | Treatment of thigh fracture | | | | | |
| 27516 | T | Treat thigh fx growth plate | 0043 | 1.68 | $87.38 | | $17.48 |
| 27517 | T | Treat thigh fx growth plate | 0043 | 1.68 | $87.38 | | $17.48 |
| 27519 | C | Treat thigh fx growth plate | | | | | |
| 27520 | T | Treat kneecap fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27524 | T | Treat kneecap fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27530 | T | Treat knee fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27532 | T | Treat knee fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27535 | C | Treat knee fracture | | | | | |
| 27536 | C | Treat knee fracture | | | | | |
| 27538 | T | Treat knee fracture(s) | 0043 | 1.68 | $87.38 | | $17.48 |
| 27540 | C | Treat knee fracture | | | | | |
| 27550 | T | Treat knee dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27552 | T | Treat knee dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27556 | C | Treat knee dislocation | | | | | |
| 27557 | C | Treat knee dislocation | | | | | |
| 27558 | C | Treat knee dislocation | | | | | |
| 27560 | T | Treat kneecap dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27562 | T | Treat kneecap dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27566 | T | Treat kneecap dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27570 | T | Fixation of knee joint | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27580 | C | Fusion of knee | | | | | |
| 27590 | C | Amputate leg at thigh | | | | | |
| 27591 | C | Amputate leg at thigh | | | | | |
| 27592 | C | Amputate leg at thigh | | | | | |
| 27594 | T | Amputation follow-up surgery | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27596 | C | Amputation follow-up surgery | | | | | |
| 27598 | C | Amputate lower leg at knee | | | | | |
| 27599 | T | Leg surgery procedure | 0043 | 1.68 | $87.38 | | $17.48 |
| 27600 | T | Decompression of lower leg | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27601 | T | Decompression of lower leg | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27602 | T | Decompression of lower leg | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27603 | T | Drain lower leg lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 27604 | T | Drain lower leg bursa | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27605 | T | Incision of achilles tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 27606 | T | Incision of achilles tendon | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27607 | T | Treat lower leg bone lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27610 | T | Explore/treat ankle joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27612 | T | Exploration of ankle joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27613 | T | Biopsy lower leg soft tissue | 0020 | 7.36 | $382.79 | $114.84 | $76.56 |
| 27614 | T | Biopsy lower leg soft tissue | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 27615 | T | Remove tumor, lower leg | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27618 | T | Remove lower leg lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 27619 | T | Remove lower leg lesion | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 27620 | T | Explore/treat ankle joint | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27625 | T | Remove ankle joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27626 | T | Remove ankle joint lining | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27630 | T | Removal of tendon lesion | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27635 | T | Remove lower leg bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27637 | T | Remove/graft leg bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27638 | T | Remove/graft leg bone lesion | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27640 | T | Partial removal of tibia | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27641 | T | Partial removal of fibula | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27645 | C | Extensive lower leg surgery | | | | | |
| 27646 | C | Extensive lower leg surgery | | | | | |
| 27647 | T | Extensive ankle/heel surgery | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27648 | N | Injection for ankle x-ray | | | | | |
| 27650 | T | Repair achilles tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27652 | T | Repair/graft achilles tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27654 | T | Repair of achilles tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27656 | T | Repair leg fascia defect | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27658 | T | Repair of leg tendon, each | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27659 | T | Repair of leg tendon, each | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27664 | T | Repair of leg tendon, each | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27665 | T | Repair of leg tendon, each | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27675 | T | Repair lower leg tendons | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27676 | T | Repair lower leg tendons | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27680 | T | Release of lower leg tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27681 | T | Release of lower leg tendons | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27685 | T | Revision of lower leg tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27686 | T | Revise lower leg tendons | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27687 | T | Revision of calf tendon | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27690 | T | Revise lower leg tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27691 | T | Revise lower leg tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27692 | T | Revise additional leg tendon | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27695 | T | Repair of ankle ligament | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27696 | T | Repair of ankle ligaments | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27698 | T | Repair of ankle ligament | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27700 | T | Revision of ankle joint | 0047 | 29.59 | $1,538.95 | $537.03 | $307.79 |
| 27702 | C | Reconstruct ankle joint | | | | | |
| 27703 | C | Reconstruction, ankle joint | | | | | |
| 27704 | T | Removal of ankle implant | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27705 | T | Incision of tibia | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27707 | T | Incision of fibula | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27709 | T | Incision of tibia & fibula | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27712 | C | Realignment of lower leg | | | | | |
| 27715 | C | Revision of lower leg | | | | | |
| 27720 | C | Repair of tibia | | | | | |
| 27722 | C | Repair/graft of tibia | | | | | |
| 27724 | C | Repair/graft of tibia | | | | | |
| 27725 | C | Repair of lower leg | | | | | |
| 27727 | C | Repair of lower leg | | | | | |
| 27730 | T | Repair of tibia epiphysis | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27732 | T | Repair of fibula epiphysis | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27734 | T | Repair lower leg epiphyses | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27740 | T | Repair of leg epiphyses | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27742 | T | Repair of leg epiphyses | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27745 | T | Reinforce tibia | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27750 | T | Treatment of tibia fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27752 | T | Treatment of tibia fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27756 | T | Treatment of tibia fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27758 | T | Treatment of tibia fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27759 | T | Treatment of tibia fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27760 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27762 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27766 | T | Treatment of ankle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27780 | T | Treatment of fibula fracture | 0043 | 1.68 | $87.38 | | $17.48 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 27781 | T | Treatment of fibula fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27784 | T | Treatment of fibula fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27786 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27788 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27792 | T | Treatment of ankle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27808 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27810 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27814 | T | Treatment of ankle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27816 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27818 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27822 | T | Treatment of ankle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27823 | T | Treatment of ankle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27824 | T | Treat lower leg fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27825 | T | Treat lower leg fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 27826 | T | Treat lower leg fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27827 | T | Treat lower leg fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27828 | T | Treat lower leg fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27829 | T | Treat lower leg joint | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27830 | T | Treat lower leg dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27831 | T | Treat lower leg dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27832 | T | Treat lower leg dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27840 | T | Treat ankle dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 27842 | T | Treat ankle dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27846 | T | Treat ankle dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27848 | T | Treat ankle dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 27860 | T | Fixation of ankle joint | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 27870 | T | Fusion of ankle joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27871 | T | Fusion of tibiofibular joint | 0051 | 34.03 | $1,769.87 | | $353.97 |
| 27880 | C | Amputation of lower leg | | | | | |
| 27881 | C | Amputation of lower leg | | | | | |
| 27882 | C | Amputation of lower leg | | | | | |
| 27884 | T | Amputation follow-up surgery | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27886 | C | Amputation follow-up surgery | | | | | |
| 27888 | C | Amputation of foot at ankle | | | | | |
| 27889 | T | Amputation of foot at ankle | 0050 | 23.60 | $1,227.41 | | $245.48 |
| 27892 | T | Decompression of leg | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27893 | T | Decompression of leg | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27894 | T | Decompression of leg | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 27899 | T | Leg/ankle surgery procedure | 0043 | 1.68 | $87.38 | | $17.48 |
| 28001 | T | Drainage of bursa of foot | 0008 | 16.32 | $848.79 | | $169.76 |
| 28002 | T | Treatment of foot infection | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 28003 | T | Treatment of foot infection | 0049 | 19.45 | $1,011.58 | | $202.32 |
| 28005 | T | Treat foot bone lesion | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28008 | T | Incision of foot fascia | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28010 | T | Incision of toe tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28011 | T | Incision of toe tendons | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28020 | T | Exploration of foot joint | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28022 | T | Exploration of foot joint | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28024 | T | Exploration of toe joint | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28030 | T | Removal of foot nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 28035 | T | Decompression of tibia nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 28043 | T | Excision of foot lesion | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 28045 | T | Excision of foot lesion | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28046 | T | Resection of tumor, foot | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28050 | T | Biopsy of foot joint lining | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28052 | T | Biopsy of foot joint lining | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28054 | T | Biopsy of toe joint lining | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28060 | T | Partial removal, foot fascia | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28062 | T | Removal of foot fascia | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28070 | T | Removal of foot joint lining | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28072 | T | Removal of foot joint lining | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28080 | T | Removal of foot lesion | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28086 | T | Excise foot tendon sheath | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28088 | T | Excise foot tendon sheath | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28090 | T | Removal of foot lesion | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28092 | T | Removal of toe lesions | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 28100 | T | Removal of ankle/heel lesion | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28102 | T | Remove/graft foot lesion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28103 | T | Remove/graft foot lesion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28104 | T | Removal of foot lesion | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28106 | T | Remove/graft foot lesion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28107 | T | Remove/graft foot lesion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28108 | T | Removal of toe lesions | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28110 | T | Part removal of metatarsal | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28111 | T | Part removal of metatarsal | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28112 | T | Part removal of metatarsal | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28113 | T | Part removal of metatarsal | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28114 | T | Removal of metatarsal heads | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28116 | T | Revision of foot | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28118 | T | Removal of heel bone | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28119 | T | Removal of heel spur | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28120 | T | Part removal of ankle/heel | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28122 | T | Partial removal of foot bone | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28124 | T | Partial removal of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28126 | T | Partial removal of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28130 | T | Removal of ankle bone | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28140 | T | Removal of metatarsal | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28150 | T | Removal of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28153 | T | Partial removal of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28160 | T | Partial removal of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28171 | T | Extensive foot surgery | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28173 | T | Extensive foot surgery | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28175 | T | Extensive foot surgery | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28190 | T | Removal of foot foreign body | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 28192 | T | Removal of foot foreign body | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 28193 | T | Removal of foot foreign body | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 28200 | T | Repair of foot tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28202 | T | Repair/graft of foot tendon | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28208 | T | Repair of foot tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28210 | T | Repair/graft of foot tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28220 | T | Release of foot tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28222 | T | Release of foot tendons | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28225 | T | Release of foot tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28226 | T | Release of foot tendons | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28230 | T | Incision of foot tendon(s) | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28232 | T | Incision of toe tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28234 | T | Incision of foot tendon | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28238 | T | Revision of foot tendon | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28240 | T | Release of big toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28250 | T | Revision of foot fascia | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28260 | T | Release of midfoot joint | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28261 | T | Revision of foot tendon | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28262 | T | Revision of foot and ankle | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28264 | T | Release of midfoot joint | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28270 | T | Release of foot contracture | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28272 | T | Release of toe joint, each | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28280 | T | Fusion of toes | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28285 | T | Repair of hammertoe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28286 | T | Repair of hammertoe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28288 | T | Partial removal of foot bone | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28289 | T | Repair hallux rigidus | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28290 | T | Correction of bunion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28292 | T | Correction of bunion | 0057 | 23.87 | $1,241.45 | $496.58 | $248.29 |
| 28293 | T | Correction of bunion | 0057 | 23.87 | $1,241.45 | $496.58 | $248.29 |
| 28294 | T | Correction of bunion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28296 | T | Correction of bunion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28297 | T | Correction of bunion | 0057 | 23.87 | $1,241.45 | $496.58 | $248.29 |
| 28298 | T | Correction of bunion | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28299 | T | Correction of bunion | 0057 | 23.87 | $1,241.45 | $496.58 | $248.29 |
| 28300 | T | Incision of heel bone | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28302 | T | Incision of ankle bone | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28304 | T | Incision of midfoot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 28305 | T | Incise/graft midfoot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28306 | T | Incision of metatarsal | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28307 | T | Incision of metatarsal | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28308 | T | Incision of metatarsal | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28309 | T | Incision of metatarsals | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28310 | T | Revision of big toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28312 | T | Revision of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28313 | T | Repair deformity of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28315 | T | Removal of sesamoid bone | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28320 | T | Repair of foot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28322 | T | Repair of metatarsals | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28340 | T | Resect enlarged toe tissue | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28341 | T | Resect enlarged toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28344 | T | Repair extra toe(s) | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28345 | T | Repair webbed toe(s) | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28360 | T | Reconstruct cleft foot | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28400 | T | Treatment of heel fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28405 | T | Treatment of heel fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28406 | T | Treatment of heel fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28415 | T | Treat heel fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28420 | T | Treat/graft heel fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28430 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28435 | T | Treatment of ankle fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28436 | T | Treatment of ankle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28445 | T | Treat ankle fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28450 | T | Treat midfoot fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 28455 | T | Treat midfoot fracture, each | 0043 | 1.68 | $87.38 | | $17.48 |
| 28456 | T | Treat midfoot fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28465 | T | Treat midfoot fracture, each | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28470 | T | Treat metatarsal fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28475 | T | Treat metatarsal fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28476 | T | Treat metatarsal fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28485 | T | Treat metatarsal fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28490 | T | Treat big toe fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28495 | T | Treat big toe fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28496 | T | Treat big toe fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28505 | T | Treat big toe fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28510 | T | Treatment of toe fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28515 | T | Treatment of toe fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28525 | T | Treat toe fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28530 | T | Treat sesamoid bone fracture | 0043 | 1.68 | $87.38 | | $17.48 |
| 28531 | T | Treat sesamoid bone fracture | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28540 | T | Treat foot dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 28545 | T | Treat foot dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 28546 | T | Treat foot dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28555 | T | Repair foot dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28570 | T | Treat foot dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 28575 | T | Treat foot dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 28576 | T | Treat foot dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28585 | T | Repair foot dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28600 | T | Treat foot dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 28605 | T | Treat foot dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 28606 | T | Treat foot dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28615 | T | Repair foot dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28630 | T | Treat toe dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 28635 | T | Treat toe dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 28636 | T | Treat toe dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28645 | T | Repair toe dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28660 | T | Treat toe dislocation | 0043 | 1.68 | $87.38 | | $17.48 |
| 28665 | T | Treat toe dislocation | 0045 | 13.47 | $700.56 | $280.22 | $140.11 |
| 28666 | T | Treat toe dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28675 | T | Repair of toe dislocation | 0046 | 29.03 | $1,509.82 | $535.76 | $301.96 |
| 28705 | T | Fusion of foot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28715 | T | Fusion of foot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28725 | T | Fusion of foot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28730 | T | Fusion of foot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 28735 | T | Fusion of foot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28737 | T | Revision of foot bones | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28740 | T | Fusion of foot bones | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28750 | T | Fusion of big toe joint | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28755 | T | Fusion of big toe joint | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28760 | T | Fusion of big toe joint | 0056 | 22.94 | $1,193.09 | $405.81 | $238.62 |
| 28800 | C | Amputation of midfoot | | | | | |
| 28805 | C | Amputation thru metatarsal | | | | | |
| 28810 | T | Amputation toe & metatarsal | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28820 | T | Amputation of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28825 | T | Partial amputation of toe | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 28899 | T | Foot/toes surgery procedure | 0043 | 1.68 | $87.38 | | $17.48 |
| 29000 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29010 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29015 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29020 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29025 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29035 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29040 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29044 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29046 | S | Application of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29049 | S | Application of figure eight | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29055 | S | Application of shoulder cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29058 | S | Application of shoulder cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29065 | S | Application of long arm cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29075 | S | Application of forearm cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29085 | S | Apply hand/wrist cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29086 | S | Apply finger cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29105 | S | Apply long arm splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29125 | S | Apply forearm splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29126 | S | Apply forearm splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29130 | S | Application of finger splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29131 | S | Application of finger splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29200 | S | Strapping of chest | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29220 | S | Strapping of low back | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29240 | S | Strapping of shoulder | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29260 | S | Strapping of elbow or wrist | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29280 | S | Strapping of hand or finger | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29305 | S | Application of hip cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29325 | S | Application of hip casts | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29345 | S | Application of long leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29355 | S | Application of long leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29358 | S | Apply long leg cast brace | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29365 | S | Application of long leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29405 | S | Apply short leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29425 | S | Apply short leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29435 | S | Apply short leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29440 | S | Addition of walker to cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29445 | S | Apply rigid leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29450 | S | Application of leg cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29505 | S | Application, long leg splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29515 | S | Application lower leg splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29520 | S | Strapping of hip | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29530 | S | Strapping of knee | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29540 | S | Strapping of ankle | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29550 | S | Strapping of toes | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29580 | S | Application of paste boot | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29590 | S | Application of foot splint | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29700 | S | Removal/revision of cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29705 | S | Removal/revision of cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29710 | S | Removal/revision of cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29715 | S | Removal/revision of cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29720 | S | Repair of body cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29730 | S | Windowing of cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29740 | S | Wedging of cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29750 | S | Wedging of clubfoot cast | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 29799 | S | Casting/strapping procedure | 0058 | 1.09 | $56.69 | $14.74 | $11.34 |
| 29800 | T | Jaw arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29804 | T | Jaw arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29805 | T | Shoulder arthroscopy, dx | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29806 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29807 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29819 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29820 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29821 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29822 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29823 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29824 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29825 | T | Shoulder arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29826 | T | Shoulder arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29830 | T | Elbow arthroscopy | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29834 | T | Elbow arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29835 | T | Elbow arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29836 | T | Elbow arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29837 | T | Elbow arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29838 | T | Elbow arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29840 | T | Wrist arthroscopy | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29843 | T | Wrist arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29844 | T | Wrist arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29845 | T | Wrist arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29846 | T | Wrist arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29847 | T | Wrist arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29848 | T | Wrist endoscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29850 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29851 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29855 | T | Tibial arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29856 | T | Tibial arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29860 | T | Hip arthroscopy, dx | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29861 | T | Hip arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29862 | T | Hip arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29863 | T | Hip arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29870 | T | Knee arthroscopy, dx | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29871 | T | Knee arthroscopy/drainage | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29874 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29875 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29876 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29877 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29879 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29880 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29881 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29882 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29883 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29884 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29885 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29886 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29887 | T | Knee arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29888 | T | Knee arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29889 | T | Knee arthroscopy/surgery | 0042 | 43.24 | $2,248.87 | $804.74 | $449.77 |
| 29891 | T | Ankle arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29892 | T | Ankle arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29893 | T | Scope, plantar fasciotomy | 0055 | 18.28 | $950.72 | $355.34 | $190.14 |
| 29894 | T | Ankle arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29895 | T | Ankle arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29897 | T | Ankle arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29898 | T | Ankle arthroscopy/surgery | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 29900 | T | Mcp joint arthroscopy, dx | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 29901 | T | Mcp joint arthroscopy, surg | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 29902 | T | Mcp joint arthroscopy, surg | 0053 | 14.76 | $767.65 | $253.49 | $153.53 |
| 29999 | T | Arthroscopy of joint | 0041 | 27.58 | $1,434.41 | $580.06 | $286.88 |
| 30000 | T | Drainage of nose lesion | 0251 | 1.92 | $99.86 | ..... | $19.97 |
| 30020 | T | Drainage of nose lesion | 0251 | 1.92 | $99.86 | ..... | $19.97 |
| 30100 | T | Intranasal biopsy | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 30110 | T | Removal of nose polyp(s) | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30115 | T | Removal of nose polyp(s) | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30117 | T | Removal of intranasal lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30118 | T | Removal of intranasal lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 30120 | T | Revision of nose | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30124 | T | Removal of nose lesion | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 30125 | T | Removal of nose lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30130 | T | Removal of turbinate bones | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30140 | T | Removal of turbinate bones | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 30150 | T | Partial removal of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30160 | T | Removal of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30200 | T | Injection treatment of nose | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30210 | T | Nasal sinus therapy | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 30220 | T | Insert nasal septal button | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 30300 | X | Remove nasal foreign body | 0340 | 0.66 | $34.33 | | $6.87 |
| 30310 | T | Remove nasal foreign body | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30320 | T | Remove nasal foreign body | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30400 | T | Reconstruction of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30410 | T | Reconstruction of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30420 | T | Reconstruction of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30430 | T | Revision of nose | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 30435 | T | Revision of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30450 | T | Revision of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30460 | T | Revision of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30462 | T | Revision of nose | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30465 | T | Repair nasal stenosis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30520 | T | Repair of nasal septum | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 30540 | T | Repair nasal defect | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30545 | T | Repair nasal defect | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30560 | T | Release of nasal adhesions | 0251 | 1.92 | $99.86 | | $19.97 |
| 30580 | T | Repair upper jaw fistula | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30600 | T | Repair mouth/nose fistula | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30620 | T | Intranasal reconstruction | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 30630 | T | Repair nasal septum defect | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 30801 | T | Cauterization, inner nose | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 30802 | T | Cauterization, inner nose | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30901 | T | Control of nosebleed | 0250 | 1.68 | $87.38 | $30.58 | $17.48 |
| 30903 | T | Control of nosebleed | 0250 | 1.68 | $87.38 | $30.58 | $17.48 |
| 30905 | T | Control of nosebleed | 0250 | 1.68 | $87.38 | $30.58 | $17.48 |
| 30906 | T | Repeat control of nosebleed | 0250 | 1.68 | $87.38 | $30.58 | $17.48 |
| 30915 | T | Ligation, nasal sinus artery | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 30920 | T | Ligation, upper jaw artery | 0092 | 24.97 | $1,298.66 | $505.37 | $259.73 |
| 30930 | T | Therapy, fracture of nose | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 30999 | T | Nasal surgery procedure | 0251 | 1.92 | $99.86 | | $19.97 |
| 31000 | T | Irrigation, maxillary sinus | 0251 | 1.92 | $99.86 | | $19.97 |
| 31002 | T | Irrigation, sphenoid sinus | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 31020 | T | Exploration, maxillary sinus | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31030 | T | Exploration, maxillary sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31032 | T | Explore sinus,remove polyps | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31040 | T | Exploration behind upper jaw | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31050 | T | Exploration, sphenoid sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31051 | T | Sphenoid sinus surgery | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31070 | T | Exploration of frontal sinus | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31075 | T | Exploration of frontal sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31080 | T | Removal of frontal sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31081 | T | Removal of frontal sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31084 | T | Removal of frontal sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31085 | T | Removal of frontal sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31086 | T | Removal of frontal sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31087 | T | Removal of frontal sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31090 | T | Exploration of sinuses | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31200 | T | Removal of ethmoid sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31201 | T | Removal of ethmoid sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31205 | T | Removal of ethmoid sinus | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31225 | C | Removal of upper jaw | | | | | |
| 31230 | C | Removal of upper jaw | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 31231 | T | Nasal endoscopy, dx | 0071 | 1.01 | $52.53 | $14.18 | $10.51 |
| 31233 | T | Nasal/sinus endoscopy, dx | 0072 | 1.66 | $86.33 | $37.99 | $17.27 |
| 31235 | T | Nasal/sinus endoscopy, dx | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31237 | T | Nasal/sinus endoscopy, surg | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31238 | T | Nasal/sinus endoscopy, surg | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31239 | T | Nasal/sinus endoscopy, surg | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31240 | T | Nasal/sinus endoscopy, surg | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31254 | T | Revision of ethmoid sinus | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31255 | T | Removal of ethmoid sinus | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31256 | T | Exploration maxillary sinus | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31267 | T | Endoscopy, maxillary sinus | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31276 | T | Sinus endoscopy, surgical | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31287 | T | Nasal/sinus endoscopy, surg | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31288 | T | Nasal/sinus endoscopy, surg | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31290 | C | Nasal/sinus endoscopy, surg | | | | | |
| 31291 | C | Nasal/sinus endoscopy, surg | | | | | |
| 31292 | C | Nasal/sinus endoscopy, surg | | | | | |
| 31293 | C | Nasal/sinus endoscopy, surg | | | | | |
| 31294 | C | Nasal/sinus endoscopy, surg | | | | | |
| 31299 | T | Sinus surgery procedure | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 31300 | T | Removal of larynx lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31320 | T | Diagnostic incision, larynx | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31360 | C | Removal of larynx | | | | | |
| 31365 | C | Removal of larynx | | | | | |
| 31367 | C | Partial removal of larynx | | | | | |
| 31368 | C | Partial removal of larynx | | | | | |
| 31370 | C | Partial removal of larynx | | | | | |
| 31375 | C | Partial removal of larynx | | | | | |
| 31380 | C | Partial removal of larynx | | | | | |
| 31382 | C | Partial removal of larynx | | | | | |
| 31390 | C | Removal of larynx & pharynx | | | | | |
| 31395 | C | Reconstruct larynx & pharynx | | | | | |
| 31400 | T | Revision of larynx | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31420 | T | Removal of epiglottis | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31500 | S | Insert emergency airway | 0094 | 2.68 | $139.38 | $47.39 | $27.88 |
| 31502 | T | Change of windpipe airway | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 31505 | T | Diagnostic laryngoscopy | 0072 | 1.66 | $86.33 | $37.99 | $17.27 |
| 31510 | T | Laryngoscopy with biopsy | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31511 | T | Remove foreign body, larynx | 0072 | 1.66 | $86.33 | $37.99 | $17.27 |
| 31512 | T | Removal of larynx lesion | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31513 | T | Injection into vocal cord | 0072 | 1.66 | $86.33 | $37.99 | $17.27 |
| 31515 | T | Laryngoscopy for aspiration | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31520 | T | Diagnostic laryngoscopy | 0072 | 1.66 | $86.33 | $37.99 | $17.27 |
| 31525 | T | Diagnostic laryngoscopy | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31526 | T | Diagnostic laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31527 | T | Laryngoscopy for treatment | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31528 | T | Laryngoscopy and dilation | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31529 | T | Laryngoscopy and dilation | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31530 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31531 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31535 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31536 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31540 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31541 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31560 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31561 | T | Operative laryngoscopy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31570 | T | Laryngoscopy with injection | 0074 | 12.84 | $667.80 | $295.70 | $133.56 |
| 31571 | T | Laryngoscopy with injection | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31575 | T | Diagnostic laryngoscopy | 0071 | 1.01 | $52.53 | $14.18 | $10.51 |
| 31576 | T | Laryngoscopy with biopsy | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31577 | T | Remove foreign body, larynx | 0073 | 3.63 | $188.79 | $74.14 | $37.76 |
| 31578 | T | Removal of larynx lesion | 0075 | 20.41 | $1,061.50 | $445.92 | $212.30 |
| 31579 | T | Diagnostic laryngoscopy | 0073 | 3.63 | $188.79 | $74.14 | $37.76 |
| 31580 | T | Revision of larynx | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31582 | T | Revision of larynx | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31584 | C | Treat larynx fracture | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 31585 | T | Treat larynx fracture | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 31586 | T | Treat larynx fracture | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31587 | C | Revision of larynx | | | | | |
| 31588 | T | Revision of larynx | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31590 | T | Reinnervate larynx | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31595 | T | Larynx nerve surgery | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31599 | T | Larynx surgery procedure | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31600 | T | Incision of windpipe | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31601 | T | Incision of windpipe | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31603 | T | Incision of windpipe | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 31605 | T | Incision of windpipe | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 31610 | T | Incision of windpipe | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31611 | T | Surgery/speech prosthesis | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31612 | T | Puncture/clear windpipe | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31613 | T | Repair windpipe opening | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31614 | T | Repair windpipe opening | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31615 | T | Visualization of windpipe | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31622 | T | Dx bronchoscope/wash | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31623 | T | Dx bronchoscope/brush | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31624 | T | Dx bronchoscope/lavage | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31625 | T | Bronchoscopy with biopsy | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31628 | T | Bronchoscopy with biopsy | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31629 | T | Bronchoscopy with biopsy | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31630 | T | Bronchoscopy with repair | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31631 | T | Bronchoscopy with dilation | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31635 | T | Remove foreign body, airway | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31640 | T | Bronchoscopy & remove lesion | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31641 | T | Bronchoscopy, treat blockage | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31643 | T | Diag bronchoscope/catheter | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31645 | T | Bronchoscopy, clear airways | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31646 | T | Bronchoscopy, reclear airway | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31656 | T | Bronchoscopy, inj for xray | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 31700 | T | Insertion of airway catheter | 0072 | 1.66 | $86.33 | $37.99 | $17.27 |
| 31708 | N | Instill airway contrast dye | | | | | |
| 31710 | N | Insertion of airway catheter | | | | | |
| 31715 | N | Injection for bronchus x-ray | | | | | |
| 31717 | T | Bronchial brush biopsy | 0073 | 3.63 | $188.79 | $74.14 | $37.76 |
| 31720 | T | Clearance of airways | 0072 | 1.66 | $86.33 | $37.99 | $17.27 |
| 31725 | C | Clearance of airways | | | | | |
| 31730 | T | Intro, windpipe wire/tube | 0073 | 3.63 | $188.79 | $74.14 | $37.76 |
| 31750 | T | Repair of windpipe | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31755 | T | Repair of windpipe | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 31760 | C | Repair of windpipe | | | | | |
| 31766 | C | Reconstruction of windpipe | | | | | |
| 31770 | C | Repair/graft of bronchus | | | | | |
| 31775 | C | Reconstruct bronchus | | | | | |
| 31780 | C | Reconstruct windpipe | | | | | |
| 31781 | C | Reconstruct windpipe | | | | | |
| 31785 | T | Remove windpipe lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31786 | C | Remove windpipe lesion | | | | | |
| 31800 | C | Repair of windpipe injury | | | | | |
| 31805 | C | Repair of windpipe injury | | | | | |
| 31820 | T | Closure of windpipe lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 31825 | T | Repair of windpipe defect | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31830 | T | Revise windpipe scar | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 31899 | T | Airways surgical procedure | 0076 | 9.30 | $483.68 | $189.92 | $96.74 |
| 32000 | T | Drainage of chest | 0070 | 3.30 | $171.63 | | $34.33 |
| 32002 | T | Treatment of collapsed lung | 0070 | 3.30 | $171.63 | | $34.33 |
| 32005 | T | Treat lung lining chemically | 0070 | 3.30 | $171.63 | | $34.33 |
| 32020 | T | Insertion of chest tube | 0070 | 3.30 | $171.63 | | $34.33 |
| 32035 | C | Exploration of chest | | | | | |
| 32036 | C | Exploration of chest | | | | | |
| 32095 | C | Biopsy through chest wall | | | | | |
| 32100 | C | Exploration/biopsy of chest | | | | | |
| 32110 | C | Explore/repair chest | | | | | |
| 32120 | C | Re-exploration of chest | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 32124 | C | Explore chest free adhesions | | | | | |
| 32140 | C | Removal of lung lesion(s) | | | | | |
| 32141 | C | Remove/treat lung lesions | | | | | |
| 32150 | C | Removal of lung lesion(s) | | | | | |
| 32151 | C | Remove lung foreign body | | | | | |
| 32160 | C | Open chest heart massage | | | | | |
| 32200 | C | Drain, open, lung lesion | | | | | |
| 32201 | T | Drain, percut, lung lesion | 0070 | 3.30 | $171.63 | | $34.33 |
| 32215 | C | Treat chest lining | | | | | |
| 32220 | C | Release of lung | | | | | |
| 32225 | C | Partial release of lung | | | | | |
| 32310 | C | Removal of chest lining | | | | | |
| 32320 | C | Free/remove chest lining | | | | | |
| 32400 | T | Needle biopsy chest lining | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 32402 | C | Open biopsy chest lining | | | | | |
| 32405 | T | Biopsy, lung or mediastinum | 0685 | 4.47 | $232.48 | $102.29 | $46.50 |
| 32420 | T | Puncture/clear lung | 0070 | 3.30 | $171.63 | | $34.33 |
| 32440 | C | Removal of lung | | | | | |
| 32442 | C | Sleeve pneumonectomy | | | | | |
| 32445 | C | Removal of lung | | | | | |
| 32480 | C | Partial removal of lung | | | | | |
| 32482 | C | Bilobectomy | | | | | |
| 32484 | C | Segmentectomy | | | | | |
| 32486 | C | Sleeve lobectomy | | | | | |
| 32488 | C | Completion pneumonectomy | | | | | |
| 32491 | C | Lung volume reduction | | | | | |
| 32500 | C | Partial removal of lung | | | | | |
| 32501 | C | Repair bronchus add-on | | | | | |
| 32520 | C | Remove lung & revise chest | | | | | |
| 32522 | C | Remove lung & revise chest | | | | | |
| 32525 | C | Remove lung & revise chest | | | | | |
| 32540 | C | Removal of lung lesion | | | | | |
| 32601 | T | Thoracoscopy, diagnostic | 0069 | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 32602 | T | Thoracoscopy, diagnostic | 0069 | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 32603 | T | Thoracoscopy, diagnostic | 0069 | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 32604 | T | Thoracoscopy, diagnostic | 0069 | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 32605 | T | Thoracoscopy, diagnostic | 0069 | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 32606 | T | Thoracoscopy, diagnostic | 0069 | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 32650 | C | Thoracoscopy, surgical | | | | | |
| 32651 | C | Thoracoscopy, surgical | | | | | |
| 32652 | C | Thoracoscopy, surgical | | | | | |
| 32653 | C | Thoracoscopy, surgical | | | | | |
| 32654 | C | Thoracoscopy, surgical | | | | | |
| 32655 | C | Thoracoscopy, surgical | | | | | |
| 32656 | C | Thoracoscopy, surgical | | | | | |
| 32657 | C | Thoracoscopy, surgical | | | | | |
| 32658 | C | Thoracoscopy, surgical | | | | | |
| 32659 | C | Thoracoscopy, surgical | | | | | |
| 32660 | C | Thoracoscopy, surgical | | | | | |
| 32661 | C | Thoracoscopy, surgical | | | | | |
| 32662 | C | Thoracoscopy, surgical | | | | | |
| 32663 | C | Thoracoscopy, surgical | | | | | |
| 32664 | C | Thoracoscopy, surgical | | | | | |
| 32665 | C | Thoracoscopy, surgical | | | | | |
| 32800 | C | Repair lung hernia | | | | | |
| 32810 | C | Close chest after drainage | | | | | |
| 32815 | C | Close bronchial fistula | | | | | |
| 32820 | C | Reconstruct injured chest | | | | | |
| 32850 | C | Donor pneumonectomy | | | | | |
| 32851 | C | Lung transplant, single | | | | | |
| 32852 | C | Lung transplant with bypass | | | | | |
| 32853 | C | Lung transplant, double | | | | | |
| 32854 | C | Lung transplant with bypass | | | | | |
| 32900 | C | Removal of rib(s) | | | | | |
| 32905 | C | Revise & repair chest wall | | | | | |
| 32906 | C | Revise & repair chest wall | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 32940 | C | Revision of lung | | | | | |
| 32960 | T | Therapeutic pneumothorax | 0070 | 3.30 | $171.63 | | $34.33 |
| 32997 | C | Total lung lavage | | | | | |
| 32999 | T | Chest surgery procedure | 0070 | 3.30 | $171.63 | | $34.33 |
| 33010 | T | Drainage of heart sac | 0070 | 3.30 | $171.63 | | $34.33 |
| 33011 | T | Repeat drainage of heart sac | 0070 | 3.30 | $171.63 | | $34.33 |
| 33015 | C | Incision of heart sac | | | | | |
| 33020 | C | Incision of heart sac | | | | | |
| 33025 | C | Incision of heart sac | | | | | |
| 33030 | C | Partial removal of heart sac | | | | | |
| 33031 | C | Partial removal of heart sac | | | | | |
| 33050 | C | Removal of heart sac lesion | | | | | |
| 33120 | C | Removal of heart lesion | | | | | |
| 33130 | C | Removal of heart lesion | | | | | |
| 33140 | C | Heart revascularize (tmr) | | | | | |
| 33141 | C | Heart tmr w/other procedure | | | | | |
| 33200 | C | Insertion of heart pacemaker | | | | | |
| 33201 | C | Insertion of heart pacemaker | | | | | |
| 33206 | T | Insertion of heart pacemaker | 0089 | 108.92 | $5,664.82 | $1,642.80 | $1,132.96 |
| 33207 | T | Insertion of heart pacemaker | 0089 | 108.92 | $5,664.82 | $1,642.80 | $1,132.96 |
| 33208 | T | Insertion of heart pacemaker | 0089 | 108.92 | $5,664.82 | $1,642.80 | $1,132.96 |
| 33210 | T | Insertion of heart electrode | 0106 | 29.23 | $1,520.22 | $410.46 | $304.04 |
| 33211 | T | Insertion of heart electrode | 0106 | 29.23 | $1,520.22 | $410.46 | $304.04 |
| 33212 | T | Insertion of pulse generator | 0090 | 77.15 | $4,012.49 | $1,444.50 | $802.50 |
| 33213 | T | Insertion of pulse generator | 0090 | 77.15 | $4,012.49 | $1,444.50 | $802.50 |
| 33214 | T | Upgrade of pacemaker system | 0089 | 108.92 | $5,664.82 | $1,642.80 | $1,132.96 |
| 33216 | T | Revise eltrd pacing-defib | 0106 | 29.23 | $1,520.22 | $410.46 | $304.04 |
| 33217 | T | Revise eltrd pacing-defib | 0106 | 29.23 | $1,520.22 | $410.46 | $304.04 |
| 33218 | T | Revise eltrd pacing-defib | 0106 | 29.23 | $1,520.22 | $410.46 | $304.04 |
| 33220 | T | Revise eltrd pacing-defib | 0106 | 29.23 | $1,520.22 | $410.46 | $304.04 |
| 33222 | T | Revise pocket, pacemaker | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 33223 | T | Revise pocket, pacing-defib | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 33233 | T | Removal of pacemaker system | 0105 | 19.14 | $995.45 | $370.40 | $199.09 |
| 33234 | T | Removal of pacemaker system | 0105 | 19.14 | $995.45 | $370.40 | $199.09 |
| 33235 | T | Removal pacemaker electrode | 0105 | 19.14 | $995.45 | $370.40 | $199.09 |
| 33236 | C | Remove electrode/thoracotomy | | | | | |
| 33237 | C | Remove electrode/thoracotomy | | | | | |
| 33238 | C | Remove electrode/thoracotomy | | | | | |
| 33240 | T | Insert pulse generator | 0107 | 181.51 | $9,440.15 | $2,076.83 | $1,888.03 |
| 33241 | T | Remove pulse generator | 0105 | 19.14 | $995.45 | $370.40 | $199.09 |
| 33243 | C | Remove eltrd/thoracotomy | | | | | |
| 33244 | T | Remove eltrd, transven | 0105 | 19.14 | $995.45 | $370.40 | $199.09 |
| 33245 | C | Insert epic eltrd pace-defib | | | | | |
| 33246 | C | Insert epic eltrd/generator | | | | | |
| 33249 | T | Eltrd/insert pace-defib | 0108 | 232.69 | $12,101.97 | | $2,420.39 |
| 33250 | C | Ablate heart dysrhythm focus | | | | | |
| 33251 | C | Ablate heart dysrhythm focus | | | | | |
| 33253 | C | Reconstruct atria | | | | | |
| 33261 | C | Ablate heart dysrhythm focus | | | | | |
| 33282 | S | Implant pat-active ht record | 0680 | 51.95 | $2,701.87 | | $540.37 |
| 33284 | T | Remove pat-active ht record | 0109 | 7.68 | $399.43 | $131.49 | $79.89 |
| 33300 | C | Repair of heart wound | | | | | |
| 33305 | C | Repair of heart wound | | | | | |
| 33310 | C | Exploratory heart surgery | | | | | |
| 33315 | C | Exploratory heart surgery | | | | | |
| 33320 | C | Repair major blood vessel(s) | | | | | |
| 33321 | C | Repair major vessel | | | | | |
| 33322 | C | Repair major blood vessel(s) | | | | | |
| 33330 | C | Insert major vessel graft | | | | | |
| 33332 | C | Insert major vessel graft | | | | | |
| 33335 | C | Insert major vessel graft | | | | | |
| 33400 | C | Repair of aortic valve | | | | | |
| 33401 | C | Valvuloplasty, open | | | | | |
| 33403 | C | Valvuloplasty, w/cp bypass | | | | | |
| 33404 | C | Prepare heart-aorta conduit | | | | | |
| 33405 | C | Replacement of aortic valve | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 33406 | C | Replacement of aortic valve | | | | | |
| 33410 | C | Replacement of aortic valve | | | | | |
| 33411 | C | Replacement of aortic valve | | | | | |
| 33412 | C | Replacement of aortic valve | | | | | |
| 33413 | C | Replacement of aortic valve | | | | | |
| 33414 | C | Repair of aortic valve | | | | | |
| 33415 | C | Revision, subvalvular tissue | | | | | |
| 33416 | C | Revise ventricle muscle | | | | | |
| 33417 | C | Repair of aortic valve | | | | | |
| 33420 | C | Revision of mitral valve | | | | | |
| 33422 | C | Revision of mitral valve | | | | | |
| 33425 | C | Repair of mitral valve | | | | | |
| 33426 | C | Repair of mitral valve | | | | | |
| 33427 | C | Repair of mitral valve | | | | | |
| 33430 | C | Replacement of mitral valve | | | | | |
| 33460 | C | Revision of tricuspid valve | | | | | |
| 33463 | C | Valvuloplasty, tricuspid | | | | | |
| 33464 | C | Valvuloplasty, tricuspid | | | | | |
| 33465 | C | Replace tricuspid valve | | | | | |
| 33468 | C | Revision of tricuspid valve | | | | | |
| 33470 | C | Revision of pulmonary valve | | | | | |
| 33471 | C | Valvotomy, pulmonary valve | | | | | |
| 33472 | C | Revision of pulmonary valve | | | | | |
| 33474 | C | Revision of pulmonary valve | | | | | |
| 33475 | C | Replacement, pulmonary valve | | | | | |
| 33476 | C | Revision of heart chamber | | | | | |
| 33478 | C | Revision of heart chamber | | | | | |
| 33496 | C | Repair, prosth valve clot | | | | | |
| 33500 | C | Repair heart vessel fistula | | | | | |
| 33501 | C | Repair heart vessel fistula | | | | | |
| 33502 | C | Coronary artery correction | | | | | |
| 33503 | C | Coronary artery graft | | | | | |
| 33504 | C | Coronary artery graft | | | | | |
| 33505 | C | Repair artery w/tunnel | | | | | |
| 33506 | C | Repair artery, translocation | | | | | |
| 33510 | C | CABG, vein, single | | | | | |
| 33511 | C | CABG, vein, two | | | | | |
| 33512 | C | CABG, vein, three | | | | | |
| 33513 | C | CABG, vein, four | | | | | |
| 33514 | C | CABG, vein, five | | | | | |
| 33516 | C | Cabg, vein, six or more | | | | | |
| 33517 | C | CABG, artery-vein, single | | | | | |
| 33518 | C | CABG, artery-vein, two | | | | | |
| 33519 | C | CABG, artery-vein, three | | | | | |
| 33521 | C | CABG, artery-vein, four | | | | | |
| 33522 | C | CABG, artery-vein, five | | | | | |
| 33523 | C | Cabg, art-vein, six or more | | | | | |
| 33530 | C | Coronary artery, bypass/reop | | | | | |
| 33533 | C | CABG, arterial, single | | | | | |
| 33534 | C | CABG, arterial, two | | | | | |
| 33535 | C | CABG, arterial, three | | | | | |
| 33536 | C | Cabg, arterial, four or more | | | | | |
| 33542 | C | Removal of heart lesion | | | | | |
| 33545 | C | Repair of heart damage | | | | | |
| 33572 | C | Open coronary endarterectomy | | | | | |
| 33600 | C | Closure of valve | | | | | |
| 33602 | C | Closure of valve | | | | | |
| 33606 | C | Anastomosis/artery-aorta | | | | | |
| 33608 | C | Repair anomaly w/conduit | | | | | |
| 33610 | C | Repair by enlargement | | | | | |
| 33611 | C | Repair double ventricle | | | | | |
| 33612 | C | Repair double ventricle | | | | | |
| 33615 | C | Repair, modified fontan | | | | | |
| 33617 | C | Repair single ventricle | | | | | |
| 33619 | C | Repair single ventricle | | | | | |
| 33641 | C | Repair heart septum defect | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 33645 | C | Revision of heart veins | | | | | |
| 33647 | C | Repair heart septum defects | | | | | |
| 33660 | C | Repair of heart defects | | | | | |
| 33665 | C | Repair of heart defects | | | | | |
| 33670 | C | Repair of heart chambers | | | | | |
| 33681 | C | Repair heart septum defect | | | | | |
| 33684 | C | Repair heart septum defect | | | | | |
| 33688 | C | Repair heart septum defect | | | | | |
| 33690 | C | Reinforce pulmonary artery | | | | | |
| 33692 | C | Repair of heart defects | | | | | |
| 33694 | C | Repair of heart defects | | | | | |
| 33697 | C | Repair of heart defects | | | | | |
| 33702 | C | Repair of heart defects | | | | | |
| 33710 | C | Repair of heart defects | | | | | |
| 33720 | C | Repair of heart defect | | | | | |
| 33722 | C | Repair of heart defect | | | | | |
| 33730 | C | Repair heart-vein defect(s) | | | | | |
| 33732 | C | Repair heart-vein defect | | | | | |
| 33735 | C | Revision of heart chamber | | | | | |
| 33736 | C | Revision of heart chamber | | | | | |
| 33737 | C | Revision of heart chamber | | | | | |
| 33750 | C | Major vessel shunt | | | | | |
| 33755 | C | Major vessel shunt | | | | | |
| 33762 | C | Major vessel shunt | | | | | |
| 33764 | C | Major vessel shunt & graft | | | | | |
| 33766 | C | Major vessel shunt | | | | | |
| 33767 | C | Major vessel shunt | | | | | |
| 33770 | C | Repair great vessels defect | | | | | |
| 33771 | C | Repair great vessels defect | | | | | |
| 33774 | C | Repair great vessels defect | | | | | |
| 33775 | C | Repair great vessels defect | | | | | |
| 33776 | C | Repair great vessels defect | | | | | |
| 33777 | C | Repair great vessels defect | | | | | |
| 33778 | C | Repair great vessels defect | | | | | |
| 33779 | C | Repair great vessels defect | | | | | |
| 33780 | C | Repair great vessels defect | | | | | |
| 33781 | C | Repair great vessels defect | | | | | |
| 33786 | C | Repair arterial trunk | | | | | |
| 33788 | C | Revision of pulmonary artery | | | | | |
| 33800 | C | Aortic suspension | | | | | |
| 33802 | C | Repair vessel defect | | | | | |
| 33803 | C | Repair vessel defect | | | | | |
| 33813 | C | Repair septal defect | | | | | |
| 33814 | C | Repair septal defect | | | | | |
| 33820 | C | Revise major vessel | | | | | |
| 33822 | C | Revise major vessel | | | | | |
| 33824 | C | Revise major vessel | | | | | |
| 33840 | C | Remove aorta constriction | | | | | |
| 33845 | C | Remove aorta constriction | | | | | |
| 33851 | C | Remove aorta constriction | | | | | |
| 33852 | C | Repair septal defect | | | | | |
| 33853 | C | Repair septal defect | | | | | |
| 33860 | C | Ascending aortic graft | | | | | |
| 33861 | C | Ascending aortic graft | | | | | |
| 33863 | C | Ascending aortic graft | | | | | |
| 33870 | C | Transverse aortic arch graft | | | | | |
| 33875 | C | Thoracic aortic graft | | | | | |
| 33877 | C | Thoracoabdominal graft | | | | | |
| 33910 | C | Remove lung artery emboli | | | | | |
| 33915 | C | Remove lung artery emboli | | | | | |
| 33916 | C | Surgery of great vessel | | | | | |
| 33917 | C | Repair pulmonary artery | | | | | |
| 33918 | C | Repair pulmonary atresia | | | | | |
| 33919 | C | Repair pulmonary atresia | | | | | |
| 33920 | C | Repair pulmonary atresia | | | | | |
| 33922 | C | Transect pulmonary artery | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 33924 | C | Remove pulmonary shunt | | | | | |
| 33930 | C | Removal of donor heart/lung | | | | | |
| 33935 | C | Transplantation, heart/lung | | | | | |
| 33940 | C | Removal of donor heart | | | | | |
| 33945 | C | Transplantation of heart | | | | | |
| 33960 | C | External circulation assist | | | | | |
| 33961 | C | External circulation assist | | | | | |
| 33967 | C | Insert ia percut device | | | | | |
| 33968 | C | Remove aortic assist device | | | | | |
| 33970 | C | Aortic circulation assist | | | | | |
| 33971 | C | Aortic circulation assist | | | | | |
| 33973 | C | Insert balloon device | | | | | |
| 33974 | C | Remove intra-aortic balloon | | | | | |
| 33975 | C | Implant ventricular device | | | | | |
| 33976 | C | Implant ventricular device | | | | | |
| 33977 | C | Remove ventricular device | | | | | |
| 33978 | C | Remove ventricular device | | | | | |
| 33979 | C | Insert intracorporeal device | | | | | |
| 33980 | C | Remove intracorporeal device | | | | | |
| 33999 | T | Cardiac surgery procedure | 0070 | 3.30 | $171.63 | | $34.33 |
| 34001 | C | Removal of artery clot | | | | | |
| 34051 | C | Removal of artery clot | | | | | |
| 34101 | T | Removal of artery clot | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34111 | T | Removal of arm artery clot | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34151 | C | Removal of artery clot | | | | | |
| 34201 | T | Removal of artery clot | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34203 | T | Removal of leg artery clot | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34401 | C | Removal of vein clot | | | | | |
| 34421 | T | Removal of vein clot | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34451 | C | Removal of vein clot | | | | | |
| 34471 | T | Removal of vein clot | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34490 | T | Removal of vein clot | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34501 | T | Repair valve, femoral vein | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34502 | C | Reconstruct vena cava | | | | | |
| 34510 | T | Transposition of vein valve | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34520 | T | Cross-over vein graft | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34530 | T | Leg vein fusion | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 34800 | C | Endovasc abdo repair w/tube | | | | | |
| 34802 | C | Endovasc abdo repr w/device | | | | | |
| 34804 | C | Endovasc abdo repr w/device | | | | | |
| 34808 | C | Endovasc abdo occlud device | | | | | |
| 34812 | C | Xpose for endoprosth, aortic | | | | | |
| 34813 | C | Xpose for endoprosth, femorl | | | | | |
| 34820 | C | Xpose for endoprosth, iliac | | | | | |
| 34825 | C | Endovasc extend prosth, init | | | | | |
| 34826 | C | Endovasc exten prosth, addl | | | | | |
| 34830 | C | Open aortic tube prosth repr | | | | | |
| 34831 | C | Open aortoiliac prosth repr | | | | | |
| 34832 | C | Open aortofemor prosth repr | | | | | |
| 35001 | C | Repair defect of artery | | | | | |
| 35002 | C | Repair artery rupture, neck | | | | | |
| 35005 | C | Repair defect of artery | | | | | |
| 35011 | T | Repair defect of artery | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35013 | C | Repair artery rupture, arm | | | | | |
| 35021 | C | Repair defect of artery | | | | | |
| 35022 | C | Repair artery rupture, chest | | | | | |
| 35045 | C | Repair defect of arm artery | | | | | |
| 35081 | C | Repair defect of artery | | | | | |
| 35082 | C | Repair artery rupture, aorta | | | | | |
| 35091 | C | Repair defect of artery | | | | | |
| 35092 | C | Repair artery rupture, aorta | | | | | |
| 35102 | C | Repair defect of artery | | | | | |
| 35103 | C | Repair artery rupture, groin | | | | | |
| 35111 | C | Repair defect of artery | | | | | |
| 35112 | C | Repair artery rupture,spleen | | | | | |
| 35121 | C | Repair defect of artery | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 35122 | C | Repair artery rupture, belly | | | | | |
| 35131 | C | Repair defect of artery | | | | | |
| 35132 | C | Repair artery rupture, groin | | | | | |
| 35141 | C | Repair defect of artery | | | | | |
| 35142 | C | Repair artery rupture, thigh | | | | | |
| 35151 | C | Repair defect of artery | | | | | |
| 35152 | C | Repair artery rupture, knee | | | | | |
| 35161 | C | Repair defect of artery | | | | | |
| 35162 | C | Repair artery rupture | | | | | |
| 35180 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35182 | C | Repair blood vessel lesion | | | | | |
| 35184 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35188 | T | Repair blood vessel lesion | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 35189 | C | Repair blood vessel lesion | | | | | |
| 35190 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35201 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35206 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35207 | T | Repair blood vessel lesion | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 35211 | C | Repair blood vessel lesion | | | | | |
| 35216 | C | Repair blood vessel lesion | | | | | |
| 35221 | C | Repair blood vessel lesion | | | | | |
| 35226 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35231 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35236 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35241 | C | Repair blood vessel lesion | | | | | |
| 35246 | C | Repair blood vessel lesion | | | | | |
| 35251 | C | Repair blood vessel lesion | | | | | |
| 35256 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35261 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35266 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35271 | C | Repair blood vessel lesion | | | | | |
| 35276 | C | Repair blood vessel lesion | | | | | |
| 35281 | C | Repair blood vessel lesion | | | | | |
| 35286 | T | Repair blood vessel lesion | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35301 | C | Rechanneling of artery | | | | | |
| 35311 | C | Rechanneling of artery | | | | | |
| 35321 | T | Rechanneling of artery | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35331 | C | Rechanneling of artery | | | | | |
| 35341 | C | Rechanneling of artery | | | | | |
| 35351 | C | Rechanneling of artery | | | | | |
| 35355 | C | Rechanneling of artery | | | | | |
| 35361 | C | Rechanneling of artery | | | | | |
| 35363 | C | Rechanneling of artery | | | | | |
| 35371 | C | Rechanneling of artery | | | | | |
| 35372 | C | Rechanneling of artery | | | | | |
| 35381 | C | Rechanneling of artery | | | | | |
| 35390 | C | Reoperation, carotid add-on | | | | | |
| 35400 | C | Angioscopy | | | | | |
| 35450 | C | Repair arterial blockage | | | | | |
| 35452 | C | Repair arterial blockage | | | | | |
| 35454 | C | Repair arterial blockage | | | | | |
| 35456 | C | Repair arterial blockage | | | | | |
| 35458 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35459 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35460 | T | Repair venous blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35470 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35471 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35472 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35473 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35474 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35475 | T | Repair arterial blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35476 | T | Repair venous blockage | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35480 | C | Atherectomy, open | | | | | |
| 35481 | C | Atherectomy, open | | | | | |
| 35482 | C | Atherectomy, open | | | | | |
| 35483 | C | Atherectomy, open | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 35484 | T | Atherectomy, open | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35485 | T | Atherectomy, open | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35490 | T | Atherectomy, percutaneous | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35491 | T | Atherectomy, percutaneous | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35492 | T | Atherectomy, percutaneous | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35493 | T | Atherectomy, percutaneous | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35494 | T | Atherectomy, percutaneous | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35495 | T | Atherectomy, percutaneous | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35500 | T | Harvest vein for bypass | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 35501 | C | Artery bypass graft | | | | | |
| 35506 | C | Artery bypass graft | | | | | |
| 35507 | C | Artery bypass graft | | | | | |
| 35508 | C | Artery bypass graft | | | | | |
| 35509 | C | Artery bypass graft | | | | | |
| 35511 | C | Artery bypass graft | | | | | |
| 35515 | C | Artery bypass graft | | | | | |
| 35516 | C | Artery bypass graft | | | | | |
| 35518 | C | Artery bypass graft | | | | | |
| 35521 | C | Artery bypass graft | | | | | |
| 35526 | C | Artery bypass graft | | | | | |
| 35531 | C | Artery bypass graft | | | | | |
| 35533 | C | Artery bypass graft | | | | | |
| 35536 | C | Artery bypass graft | | | | | |
| 35541 | C | Artery bypass graft | | | | | |
| 35546 | C | Artery bypass graft | | | | | |
| 35548 | C | Artery bypass graft | | | | | |
| 35549 | C | Artery bypass graft | | | | | |
| 35551 | C | Artery bypass graft | | | | | |
| 35556 | C | Artery bypass graft | | | | | |
| 35558 | C | Artery bypass graft | | | | | |
| 35560 | C | Artery bypass graft | | | | | |
| 35563 | C | Artery bypass graft | | | | | |
| 35565 | C | Artery bypass graft | | | | | |
| 35566 | C | Artery bypass graft | | | | | |
| 35571 | C | Artery bypass graft | | | | | |
| 35582 | C | Vein bypass graft | | | | | |
| 35583 | C | Vein bypass graft | | | | | |
| 35585 | C | Vein bypass graft | | | | | |
| 35587 | C | Vein bypass graft | | | | | |
| 35600 | C | Harvest artery for cabg | | | | | |
| 35601 | C | Artery bypass graft | | | | | |
| 35606 | C | Artery bypass graft | | | | | |
| 35612 | C | Artery bypass graft | | | | | |
| 35616 | C | Artery bypass graft | | | | | |
| 35621 | C | Artery bypass graft | | | | | |
| 35623 | C | Bypass graft, not vein | | | | | |
| 35626 | C | Artery bypass graft | | | | | |
| 35631 | C | Artery bypass graft | | | | | |
| 35636 | C | Artery bypass graft | | | | | |
| 35641 | C | Artery bypass graft | | | | | |
| 35642 | C | Artery bypass graft | | | | | |
| 35645 | C | Artery bypass graft | | | | | |
| 35646 | C | Artery bypass graft | | | | | |
| 35647 | C | Artery bypass graft | | | | | |
| 35650 | C | Artery bypass graft | | | | | |
| 35651 | C | Artery bypass graft | | | | | |
| 35654 | C | Artery bypass graft | | | | | |
| 35656 | C | Artery bypass graft | | | | | |
| 35661 | C | Artery bypass graft | | | | | |
| 35663 | C | Artery bypass graft | | | | | |
| 35665 | C | Artery bypass graft | | | | | |
| 35666 | C | Artery bypass graft | | | | | |
| 35671 | C | Artery bypass graft | | | | | |
| 35681 | C | Composite bypass graft | | | | | |
| 35682 | C | Composite bypass graft | | | | | |
| 35683 | C | Composite bypass graft | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 35685 | T | Bypass graft patency/patch | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35686 | T | Bypass graft/av fist patency | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35691 | C | Arterial transposition | | | | | |
| 35693 | C | Arterial transposition | | | | | |
| 35694 | C | Arterial transposition | | | | | |
| 35695 | C | Arterial transposition | | | | | |
| 35700 | C | Reoperation, bypass graft | | | | | |
| 35701 | C | Exploration, carotid artery | | | | | |
| 35721 | C | Exploration, femoral artery | | | | | |
| 35741 | C | Exploration popliteal artery | | | | | |
| 35761 | T | Exploration of artery/vein | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 35800 | C | Explore neck vessels | | | | | |
| 35820 | C | Explore chest vessels | | | | | |
| 35840 | C | Explore abdominal vessels | | | | | |
| 35860 | T | Explore limb vessels | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 35870 | C | Repair vessel graft defect | | | | | |
| 35875 | T | Removal of clot in graft | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 35876 | T | Removal of clot in graft | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 35879 | T | Revise graft w/vein | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 35881 | T | Revise graft w/vein | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 35901 | C | Excision, graft, neck | | | | | |
| 35903 | T | Excision, graft, extremity | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 35905 | C | Excision, graft, thorax | | | | | |
| 35907 | C | Excision, graft, abdomen | | | | | |
| 36000 | N | Place needle in vein | | | | | |
| 36002 | S | Pseudoaneurysm injection trt | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 36005 | N | Injection ext venography | | | | | |
| 36010 | N | Place catheter in vein | | | | | |
| 36011 | N | Place catheter in vein | | | | | |
| 36012 | N | Place catheter in vein | | | | | |
| 36013 | N | Place catheter in artery | | | | | |
| 36014 | N | Place catheter in artery | | | | | |
| 36015 | N | Place catheter in artery | | | | | |
| 36100 | N | Establish access to artery | | | | | |
| 36120 | N | Establish access to artery | | | | | |
| 36140 | N | Establish access to artery | | | | | |
| 36145 | N | Artery to vein shunt | | | | | |
| 36160 | N | Establish access to aorta | | | | | |
| 36200 | N | Place catheter in aorta | | | | | |
| 36215 | N | Place catheter in artery | | | | | |
| 36216 | N | Place catheter in artery | | | | | |
| 36217 | N | Place catheter in artery | | | | | |
| 36218 | N | Place catheter in artery | | | | | |
| 36245 | N | Place catheter in artery | | | | | |
| 36246 | N | Place catheter in artery | | | | | |
| 36247 | N | Place catheter in artery | | | | | |
| 36248 | N | Place catheter in artery | | | | | |
| 36260 | T | Insertion of infusion pump | 0119 | 25.88 | $1,345.99 | | $269.20 |
| 36261 | T | Revision of infusion pump | 0124 | 23.47 | $1,220.65 | | $244.13 |
| 36262 | T | Removal of infusion pump | 0109 | 7.68 | $399.43 | $131.49 | $79.89 |
| 36299 | N | Vessel injection procedure | | | | | |
| 36400 | N | Drawing blood | | | | | |
| 36405 | N | Drawing blood | | | | | |
| 36406 | N | Drawing blood | | | | | |
| 36410 | N | Drawing blood | | | | | |
| 36415 | E | Drawing blood | | | | | |
| 36420 | T | Establish access to vein | 0035 | 0.24 | $12.48 | $3.74 | $2.50 |
| 36425 | T | Establish access to vein | 0035 | 0.24 | $12.48 | $3.74 | $2.50 |
| 36430 | S | Blood transfusion service | 0110 | 4.04 | $210.12 | | $42.02 |
| 36440 | S | Blood transfusion service | 0110 | 4.04 | $210.12 | | $42.02 |
| 36450 | S | Exchange transfusion service | 0110 | 4.04 | $210.12 | | $42.02 |
| 36455 | S | Exchange transfusion service | 0110 | 4.04 | $210.12 | | $42.02 |
| 36460 | S | Transfusion service, fetal | 0110 | 4.04 | $210.12 | | $42.02 |
| 36468 | T | Injection(s), spider veins | 0098 | 1.90 | $98.82 | $20.88 | $19.76 |
| 36469 | T | Injection(s), spider veins | 0098 | 1.90 | $98.82 | $20.88 | $19.76 |
| 36470 | T | Injection therapy of vein | 0098 | 1.90 | $98.82 | $20.88 | $19.76 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 36471 | T | Injection therapy of veins | 0098 | 1.90 | $98.82 | $20.88 | $19.76 |
| 36481 | N | Insertion of catheter, vein | | | | | |
| 36488 | T | Insertion of catheter, vein | 0032 | 7.14 | $371.34 | | $74.27 |
| 36489 | T | Insertion of catheter, vein | 0032 | 7.14 | $371.34 | | $74.27 |
| 36490 | T | Insertion of catheter, vein | 0032 | 7.14 | $371.34 | | $74.27 |
| 36491 | T | Insertion of catheter, vein | 0032 | 7.14 | $371.34 | | $74.27 |
| 36493 | X | Repositioning of cvc | 0187 | 4.19 | $217.92 | $94.96 | $43.58 |
| 36500 | N | Insertion of catheter, vein | | | | | |
| 36510 | C | Insertion of catheter, vein | | | | | |
| 36520 | S | Plasma and/or cell exchange | 0111 | 13.60 | $707.32 | $198.05 | $141.46 |
| 36521 | S | Apheresis w/ adsorp/reinfuse | 0112 | 39.40 | $2,049.15 | $612.47 | $409.83 |
| 36522 | S | Photopheresis | 0112 | 39.40 | $2,049.15 | $612.47 | $409.83 |
| 36530 | T | Insertion of infusion pump | 0119 | 25.88 | $1,345.99 | | $269.20 |
| 36531 | T | Revision of infusion pump | 0124 | 23.47 | $1,220.65 | | $244.13 |
| 36532 | T | Removal of infusion pump | 0109 | 7.68 | $399.43 | $131.49 | $79.89 |
| 36533 | T | Insertion of access device | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 36534 | T | Revision of access device | 0109 | 7.68 | $399.43 | $131.49 | $79.89 |
| 36535 | T | Removal of access device | 0109 | 7.68 | $399.43 | $131.49 | $79.89 |
| 36540 | N | Collect blood venous device | | | | | |
| 36550 | T | Declot vascular device | 0677 | 2.80 | $145.63 | | $29.13 |
| 36600 | N | Withdrawal of arterial blood | | | | | |
| 36620 | N | Insertion catheter, artery | | | | | |
| 36625 | N | Insertion catheter, artery | | | | | |
| 36640 | T | Insertion catheter, artery | 0032 | 7.14 | $371.34 | | $74.27 |
| 36660 | C | Insertion catheter, artery | | | | | |
| 36680 | T | Insert needle, bone cavity | 0120 | 1.81 | $94.14 | $25.42 | $18.83 |
| 36800 | T | Insertion of cannula | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 36810 | T | Insertion of cannula | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 36815 | T | Insertion of cannula | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 36819 | T | Av fusion/uppr arm vein | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36820 | T | Av fusion/forearm vein | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36821 | T | Av fusion direct any site | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36822 | C | Insertion of cannula(s) | | | | | |
| 36823 | C | Insertion of cannula(s) | | | | | |
| 36825 | T | Artery-vein graft | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36830 | T | Artery-vein graft | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36831 | T | Open thrombect av fistula | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36832 | T | Av fistula revision, open | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36833 | T | Av fistula revision | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36834 | T | Repair A-V aneurysm | 0088 | 33.96 | $1,766.23 | $678.68 | $353.25 |
| 36835 | T | Artery to vein shunt | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 36860 | T | External cannula declotting | 0103 | 11.26 | $585.62 | $210.82 | $117.12 |
| 36861 | T | Cannula declotting | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 36870 | T | Percut thrombect av fistula | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 37140 | C | Revision of circulation | | | | | |
| 37145 | C | Revision of circulation | | | | | |
| 37160 | C | Revision of circulation | | | | | |
| 37180 | C | Revision of circulation | | | | | |
| 37181 | C | Splice spleen/kidney veins | | | | | |
| 37195 | C | Thrombolytic therapy, stroke | | | | | |
| 37200 | T | Transcatheter biopsy | 0685 | 4.47 | $232.48 | $102.29 | $46.50 |
| 37201 | T | Transcatheter therapy infuse | 0676 | 4.62 | $240.28 | $64.88 | $48.06 |
| 37202 | T | Transcatheter therapy infuse | 0677 | 2.80 | $145.63 | | $29.13 |
| 37203 | T | Transcatheter retrieval | 0103 | 11.26 | $585.62 | $210.82 | $117.12 |
| 37204 | T | Transcatheter occlusion | 0115 | 23.48 | $1,221.17 | $439.62 | $244.23 |
| 37205 | T | Transcatheter stent | 0229 | 49.00 | $2,548.44 | $662.59 | $509.69 |
| 37206 | T | Transcatheter stent add-on | 0229 | 49.00 | $2,548.44 | $662.59 | $509.69 |
| 37207 | T | Transcatheter stent | 0229 | 49.00 | $2,548.44 | $662.59 | $509.69 |
| 37208 | T | Transcatheter stent add-on | 0229 | 49.00 | $2,548.44 | $662.59 | $509.69 |
| 37209 | T | Exchange arterial catheter | 0103 | 11.26 | $585.62 | $210.82 | $117.12 |
| 37250 | S | Iv us first vessel add-on | 0670 | 14.78 | $768.69 | $276.73 | $153.74 |
| 37251 | S | Iv us each add vessel add-on | 0670 | 14.78 | $768.69 | $276.73 | $153.74 |
| 37565 | T | Ligation of neck vein | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 37600 | T | Ligation of neck artery | 0093 | 26.29 | $1,367.32 | $277.34 | $273.46 |
| 37605 | T | Ligation of neck artery | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37606 | T | Ligation of neck artery | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 37607 | T | Ligation of a-v fistula | 0092 | 24.97 | $1,298.66 | $505.37 | $259.73 |
| 37609 | T | Temporal artery procedure | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 37615 | T | Ligation of neck artery | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37616 | C | Ligation of chest artery | | | | | |
| 37617 | C | Ligation of abdomen artery | | | | | |
| 37618 | C | Ligation of extremity artery | | | | | |
| 37620 | T | Revision of major vein | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37650 | T | Revision of major vein | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37660 | C | Revision of major vein | | | | | |
| 37700 | T | Revise leg vein | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37720 | T | Removal of leg vein | 0092 | 24.97 | $1,298.66 | $505.37 | $259.73 |
| 37730 | T | Removal of leg veins | 0092 | 24.97 | $1,298.66 | $505.37 | $259.73 |
| 37735 | T | Removal of leg veins/lesion | 0092 | 24.97 | $1,298.66 | $505.37 | $259.73 |
| 37760 | T | Revision of leg veins | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37780 | T | Revision of leg vein | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37785 | T | Revise secondary varicosity | 0091 | 27.03 | $1,405.80 | $348.23 | $281.16 |
| 37788 | C | Revascularization, penis | | | | | |
| 37790 | T | Penile venous occlusion | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 37799 | T | Vascular surgery procedure | 0035 | 0.24 | $12.48 | $3.74 | $2.50 |
| 38100 | C | Removal of spleen, total | | | | | |
| 38101 | C | Removal of spleen, partial | | | | | |
| 38102 | C | Removal of spleen, total | | | | | |
| 38115 | C | Repair of ruptured spleen | | | | | |
| 38120 | T | Laparoscopy, splenectomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 38129 | T | Laparoscope proc, spleen | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 38200 | N | Injection for spleen x-ray | | | | | |
| 38220 | T | Bone marrow aspiration | 0003 | 1.24 | $64.49 | $27.08 | $12.90 |
| 38221 | T | Bone marrow biopsy | 0003 | 1.24 | $64.49 | $27.08 | $12.90 |
| 38230 | S | Bone marrow collection | 0123 | 4.86 | $252.76 | | $50.55 |
| 38231 | S | Stem cell collection | 0111 | 13.60 | $707.32 | $198.05 | $141.46 |
| 38240 | S | Bone marrow/stem transplant | 0123 | 4.86 | $252.76 | | $50.55 |
| 38241 | S | Bone marrow/stem transplant | 0123 | 4.86 | $252.76 | | $50.55 |
| 38300 | T | Drainage, lymph node lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 38305 | T | Drainage, lymph node lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 38308 | T | Incision of lymph channels | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38380 | C | Thoracic duct procedure | | | | | |
| 38381 | C | Thoracic duct procedure | | | | | |
| 38382 | C | Thoracic duct procedure | | | | | |
| 38500 | T | Biopsy/removal, lymph nodes | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38505 | T | Needle biopsy, lymph nodes | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 38510 | T | Biopsy/removal, lymph nodes | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38520 | T | Biopsy/removal, lymph nodes | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38525 | T | Biopsy/removal, lymph nodes | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38530 | T | Biopsy/removal, lymph nodes | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38542 | T | Explore deep node(s), neck | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 38550 | T | Removal, neck/armpit lesion | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38555 | T | Removal, neck/armpit lesion | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38562 | C | Removal, pelvic lymph nodes | | | | | |
| 38564 | C | Removal, abdomen lymph nodes | | | | | |
| 38570 | T | Laparoscopy, lymph node biop | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 38571 | T | Laparoscopy, lymphadenectomy | 0132 | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 38572 | T | Laparoscopy, lymphadenectomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 38589 | T | Laparoscope proc, lymphatic | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 38700 | T | Removal of lymph nodes, neck | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38720 | T | Removal of lymph nodes, neck | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38724 | C | Removal of lymph nodes, neck | | | | | |
| 38740 | T | Remove armpit lymph nodes | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 38745 | T | Remove armpit lymph nodes | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 38746 | C | Remove thoracic lymph nodes | | | | | |
| 38747 | C | Remove abdominal lymph nodes | | | | | |
| 38760 | T | Remove groin lymph nodes | 0113 | 19.75 | $1,027.18 | | $205.44 |
| 38765 | C | Remove groin lymph nodes | | | | | |
| 38770 | C | Remove pelvis lymph nodes | | | | | |
| 38780 | C | Remove abdomen lymph nodes | | | | | |
| 38790 | N | Inject for lymphatic x-ray | | | | | |
| 38792 | N | Identify sentinel node | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 38794 | N | Access thoracic lymph duct | | | | | |
| 38999 | S | Blood/lymph system procedure | 0110 | 4.04 | $210.12 | | $42.02 |
| 39000 | C | Exploration of chest | | | | | |
| 39010 | C | Exploration of chest | | | | | |
| 39200 | C | Removal chest lesion | | | | | |
| 39220 | C | Removal chest lesion | | | | | |
| 39400 | T | Visualization of chest | 0069 | 29.51 | $1,534.79 | $591.64 | $306.96 |
| 39499 | C | Chest procedure | | | | | |
| 39501 | C | Repair diaphragm laceration | | | | | |
| 39502 | C | Repair paraesophageal hernia | | | | | |
| 39503 | C | Repair of diaphragm hernia | | | | | |
| 39520 | C | Repair of diaphragm hernia | | | | | |
| 39530 | C | Repair of diaphragm hernia | | | | | |
| 39531 | C | Repair of diaphragm hernia | | | | | |
| 39540 | C | Repair of diaphragm hernia | | | | | |
| 39541 | C | Repair of diaphragm hernia | | | | | |
| 39545 | C | Revision of diaphragm | | | | | |
| 39560 | C | Resect diaphragm, simple | | | | | |
| 39561 | C | Resect diaphragm, complex | | | | | |
| 39599 | C | Diaphragm surgery procedure | | | | | |
| 40490 | T | Biopsy of lip | 0251 | 1.92 | $99.86 | | $19.97 |
| 40500 | T | Partial excision of lip | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 40510 | T | Partial excision of lip | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40520 | T | Partial excision of lip | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 40525 | T | Reconstruct lip with flap | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40527 | T | Reconstruct lip with flap | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40530 | T | Partial removal of lip | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40650 | T | Repair lip | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 40652 | T | Repair lip | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 40654 | T | Repair lip | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 40700 | T | Repair cleft lip/nasal | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 40701 | T | Repair cleft lip/nasal | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 40702 | T | Repair cleft lip/nasal | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 40720 | T | Repair cleft lip/nasal | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 40761 | T | Repair cleft lip/nasal | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 40799 | T | Lip surgery procedure | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 40800 | T | Drainage of mouth lesion | 0251 | 1.92 | $99.86 | | $19.97 |
| 40801 | T | Drainage of mouth lesion | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 40804 | X | Removal, foreign body, mouth | 0340 | 0.66 | $34.33 | | $6.87 |
| 40805 | T | Removal, foreign body, mouth | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 40806 | T | Incision of lip fold | 0251 | 1.92 | $99.86 | | $19.97 |
| 40808 | T | Biopsy of mouth lesion | 0251 | 1.92 | $99.86 | | $19.97 |
| 40810 | T | Excision of mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 40812 | T | Excise/repair mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 40814 | T | Excise/repair mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 40816 | T | Excision of mouth lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40818 | T | Excise oral mucosa for graft | 0251 | 1.92 | $99.86 | | $19.97 |
| 40819 | T | Excise lip or cheek fold | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 40820 | T | Treatment of mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 40830 | T | Repair mouth laceration | 0251 | 1.92 | $99.86 | | $19.97 |
| 40831 | T | Repair mouth laceration | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 40840 | T | Reconstruction of mouth | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40842 | T | Reconstruction of mouth | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40843 | T | Reconstruction of mouth | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 40844 | T | Reconstruction of mouth | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 40845 | T | Reconstruction of mouth | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 40899 | T | Mouth surgery procedure | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41000 | T | Drainage of mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41005 | T | Drainage of mouth lesion | 0251 | 1.92 | $99.86 | | $19.97 |
| 41006 | T | Drainage of mouth lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41007 | T | Drainage of mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41008 | T | Drainage of mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41009 | T | Drainage of mouth lesion | 0251 | 1.92 | $99.86 | | $19.97 |
| 41010 | T | Incision of tongue fold | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41015 | T | Drainage of mouth lesion | 0251 | 1.92 | $99.86 | | $19.97 |
| 41016 | T | Drainage of mouth lesion | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 41017 | T | Drainage of mouth lesion | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41018 | T | Drainage of mouth lesion | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41100 | T | Biopsy of tongue | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41105 | T | Biopsy of tongue | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41108 | T | Biopsy of floor of mouth | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41110 | T | Excision of tongue lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41112 | T | Excision of tongue lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41113 | T | Excision of tongue lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41114 | T | Excision of tongue lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41115 | T | Excision of tongue fold | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41116 | T | Excision of mouth lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41120 | T | Partial removal of tongue | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41130 | C | Partial removal of tongue | | | | | |
| 41135 | C | Tongue and neck surgery | | | | | |
| 41140 | C | Removal of tongue | | | | | |
| 41145 | C | Tongue removal, neck surgery | | | | | |
| 41150 | C | Tongue, mouth, jaw surgery | | | | | |
| 41153 | C | Tongue, mouth, neck surgery | | | | | |
| 41155 | C | Tongue, jaw, & neck surgery | | | | | |
| 41250 | T | Repair tongue laceration | 0251 | 1.92 | $99.86 | | $19.97 |
| 41251 | T | Repair tongue laceration | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41252 | T | Repair tongue laceration | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41500 | T | Fixation of tongue | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41510 | T | Tongue to lip surgery | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41520 | T | Reconstruction, tongue fold | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41599 | T | Tongue and mouth surgery | 0251 | 1.92 | $99.86 | | $19.97 |
| 41800 | T | Drainage of gum lesion | 0251 | 1.92 | $99.86 | | $19.97 |
| 41805 | T | Removal foreign body, gum | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41806 | T | Removal foreign body,jawbone | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41820 | T | Excision, gum, each quadrant | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41821 | T | Excision of gum flap | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 41822 | T | Excision of gum lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41823 | T | Excision of gum lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41825 | T | Excision of gum lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41826 | T | Excision of gum lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41827 | T | Excision of gum lesion | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41828 | T | Excision of gum lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41830 | T | Removal of gum tissue | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41850 | T | Treatment of gum lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41870 | T | Gum graft | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41872 | T | Repair gum | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 41874 | T | Repair tooth socket | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 41899 | T | Dental surgery procedure | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42000 | T | Drainage mouth roof lesion | 0251 | 1.92 | $99.86 | | $19.97 |
| 42100 | T | Biopsy roof of mouth | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 42104 | T | Excision lesion, mouth roof | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42106 | T | Excision lesion, mouth roof | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42107 | T | Excision lesion, mouth roof | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42120 | T | Remove palate/lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42140 | T | Excision of uvula | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 42145 | T | Repair palate, pharynx/uvula | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42160 | T | Treatment mouth roof lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42180 | T | Repair palate | 0251 | 1.92 | $99.86 | | $19.97 |
| 42182 | T | Repair palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42200 | T | Reconstruct cleft palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42205 | T | Reconstruct cleft palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42210 | T | Reconstruct cleft palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42215 | T | Reconstruct cleft palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42220 | T | Reconstruct cleft palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42225 | T | Reconstruct cleft palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42226 | T | Lengthening of palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42227 | T | Lengthening of palate | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42235 | T | Repair palate | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42260 | T | Repair nose to lip fistula | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42280 | T | Preparation, palate mold | 0251 | 1.92 | $99.86 | | $19.97 |
| 42281 | T | Insertion, palate prosthesis | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 42299 | T | Palate/uvula surgery | 0251 | 1.92 | $99.86 | | $19.97 |
| 42300 | T | Drainage of salivary gland | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42305 | T | Drainage of salivary gland | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42310 | T | Drainage of salivary gland | 0251 | 1.92 | $99.86 | | $19.97 |
| 42320 | T | Drainage of salivary gland | 0251 | 1.92 | $99.86 | | $19.97 |
| 42325 | T | Create salivary cyst drain | 0251 | 1.92 | $99.86 | | $19.97 |
| 42326 | T | Create salivary cyst drain | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 42330 | T | Removal of salivary stone | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42335 | T | Removal of salivary stone | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42340 | T | Removal of salivary stone | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42400 | T | Biopsy of salivary gland | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 42405 | T | Biopsy of salivary gland | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42408 | T | Excision of salivary cyst | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42409 | T | Drainage of salivary cyst | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42410 | T | Excise parotid gland/lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42415 | T | Excise parotid gland/lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42420 | T | Excise parotid gland/lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42425 | T | Excise parotid gland/lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42426 | C | Excise parotid gland/lesion | | | | | |
| 42440 | T | Excise submaxillary gland | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42450 | T | Excise sublingual gland | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42500 | T | Repair salivary duct | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42505 | T | Repair salivary duct | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42507 | T | Parotid duct diversion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42508 | T | Parotid duct diversion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42509 | T | Parotid duct diversion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42510 | T | Parotid duct diversion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42550 | N | Injection for salivary x-ray | | | | | |
| 42600 | T | Closure of salivary fistula | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42650 | T | Dilation of salivary duct | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 42660 | T | Dilation of salivary duct | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 42665 | T | Ligation of salivary duct | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42699 | T | Salivary surgery procedure | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42700 | T | Drainage of tonsil abscess | 0251 | 1.92 | $99.86 | | $19.97 |
| 42720 | T | Drainage of throat abscess | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42725 | T | Drainage of throat abscess | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42800 | T | Biopsy of throat | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 42802 | T | Biopsy of throat | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42804 | T | Biopsy of upper nose/throat | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42806 | T | Biopsy of upper nose/throat | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42808 | T | Excise pharynx lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42809 | X | Remove pharynx foreign body | 0340 | 0.66 | $34.33 | | $6.87 |
| 42810 | T | Excision of neck cyst | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42815 | T | Excision of neck cyst | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42820 | T | Remove tonsils and adenoids | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42821 | T | Remove tonsils and adenoids | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42825 | T | Removal of tonsils | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42826 | T | Removal of tonsils | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42830 | T | Removal of adenoids | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42831 | T | Removal of adenoids | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42835 | T | Removal of adenoids | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42836 | T | Removal of adenoids | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42842 | T | Extensive surgery of throat | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42844 | T | Extensive surgery of throat | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42845 | C | Extensive surgery of throat | | | | | |
| 42860 | T | Excision of tonsil tags | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42870 | T | Excision of lingual tonsil | 0258 | 21.15 | $1,099.99 | $437.25 | $220.00 |
| 42890 | T | Partial removal of pharynx | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42892 | T | Revision of pharyngeal walls | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42894 | C | Revision of pharyngeal walls | | | | | |
| 42900 | T | Repair throat wound | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 42950 | T | Reconstruction of throat | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42953 | C | Repair throat, esophagus | | | | | |
| 42955 | T | Surgical opening of throat | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 42960 | T | Control throat bleeding | 0250 | 1.68 | $87.38 | $30.58 | $17.48 |
| 42961 | C | Control throat bleeding | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 42962 | T | Control throat bleeding | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 42970 | T | Control nose/throat bleeding | 0250 | 1.68 | $87.38 | $30.58 | $17.48 |
| 42971 | C | Control nose/throat bleeding | | | | | |
| 42972 | T | Control nose/throat bleeding | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 42999 | T | Throat surgery procedure | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 43020 | T | Incision of esophagus | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 43030 | T | Throat muscle surgery | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 43045 | C | Incision of esophagus | | | | | |
| 43100 | C | Excision of esophagus lesion | | | | | |
| 43101 | C | Excision of esophagus lesion | | | | | |
| 43107 | C | Removal of esophagus | | | | | |
| 43108 | C | Removal of esophagus | | | | | |
| 43112 | C | Removal of esophagus | | | | | |
| 43113 | C | Removal of esophagus | | | | | |
| 43116 | C | Partial removal of esophagus | | | | | |
| 43117 | C | Partial removal of esophagus | | | | | |
| 43118 | C | Partial removal of esophagus | | | | | |
| 43121 | C | Partial removal of esophagus | | | | | |
| 43122 | C | Parital removal of esophagus | | | | | |
| 43123 | C | Partial removal of esophagus | | | | | |
| 43124 | C | Removal of esophagus | | | | | |
| 43130 | T | Removal of esophagus pouch | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 43135 | C | Removal of esophagus pouch | | | | | |
| 43200 | T | Esophagus endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43202 | T | Esophagus endoscopy, biopsy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43204 | T | Esophagus endoscopy & inject | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43205 | T | Esophagus endoscopy/ligation | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43215 | T | Esophagus endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43216 | T | Esophagus endoscopy/lesion | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43217 | T | Esophagus endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43219 | T | Esophagus endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43220 | T | Esoph endoscopy, dilation | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43226 | T | Esoph endoscopy, dilation | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43227 | T | Esoph endoscopy, repair | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43228 | T | Esoph endoscopy, ablation | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43231 | T | Esoph endoscopy w/us exam | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43232 | T | Esoph endoscopy w/us fn bx | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43234 | T | Upper GI endoscopy, exam | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43235 | T | Uppr gi endoscopy, diagnosis | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43239 | T | Upper GI endoscopy, biopsy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43240 | T | Esoph endoscope w/drain cyst | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43241 | T | Upper GI endoscopy with tube | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43242 | T | Uppr gi endoscopy w/us fn bx | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43243 | T | Upper gi endoscopy & inject | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43244 | T | Upper GI endoscopy/ligation | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43245 | T | Operative upper GI endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43246 | T | Place gastrostomy tube | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43247 | T | Operative upper GI endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43248 | T | Uppr gi endoscopy/guide wire | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43249 | T | Esoph endoscopy, dilation | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43250 | T | Upper GI endoscopy/tumor | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43251 | T | Operative upper GI endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43255 | T | Operative upper GI endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43256 | T | Uppr gi endoscopy w stent | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43258 | T | Operative upper GI endoscopy | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43259 | T | Endoscopic ultrasound exam | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43260 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43261 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43262 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43263 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43264 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43265 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43267 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43268 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43269 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43271 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 43272 | T | Endo cholangiopancreatograph | 0151 | 18.23 | $948.12 | $245.46 | $189.62 |
| 43280 | T | Laparoscopy, fundoplasty | 0132 | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 43289 | T | Laparoscope proc, esoph | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 43300 | C | Repair of esophagus | | | | | |
| 43305 | C | Repair esophagus and fistula | | | | | |
| 43310 | C | Repair of esophagus | | | | | |
| 43312 | C | Repair esophagus and fistula | | | | | |
| 43313 | C | Esophagoplasty congential | | | | | |
| 43314 | C | Tracheo-esophagoplasty cong | | | | | |
| 43320 | C | Fuse esophagus & stomach | | | | | |
| 43324 | C | Revise esophagus & stomach | | | | | |
| 43325 | C | Revise esophagus & stomach | | | | | |
| 43326 | C | Revise esophagus & stomach | | | | | |
| 43330 | C | Repair of esophagus | | | | | |
| 43331 | C | Repair of esophagus | | | | | |
| 43340 | C | Fuse esophagus & intestine | | | | | |
| 43341 | C | Fuse esophagus & intestine | | | | | |
| 43350 | C | Surgical opening, esophagus | | | | | |
| 43351 | C | Surgical opening, esophagus | | | | | |
| 43352 | C | Surgical opening, esophagus | | | | | |
| 43360 | C | Gastrointestinal repair | | | | | |
| 43361 | C | Gastrointestinal repair | | | | | |
| 43400 | C | Ligate esophagus veins | | | | | |
| 43401 | C | Esophagus surgery for veins | | | | | |
| 43405 | C | Ligate/staple esophagus | | | | | |
| 43410 | C | Repair esophagus wound | | | | | |
| 43415 | C | Repair esophagus wound | | | | | |
| 43420 | C | Repair esophagus opening | | | | | |
| 43425 | C | Repair esophagus opening | | | | | |
| 43450 | T | Dilate esophagus | 0140 | 5.84 | $303.73 | $107.24 | $60.75 |
| 43453 | T | Dilate esophagus | 0140 | 5.84 | $303.73 | $107.24 | $60.75 |
| 43456 | T | Dilate esophagus | 0140 | 5.84 | $303.73 | $107.24 | $60.75 |
| 43458 | T | Dilate esophagus | 0140 | 5.84 | $303.73 | $107.24 | $60.75 |
| 43460 | C | Pressure treatment esophagus | | | | | |
| 43496 | C | Free jejunum flap, microvasc | | | | | |
| 43499 | T | Esophagus surgery procedure | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43500 | C | Surgical opening of stomach | | | | | |
| 43501 | C | Surgical repair of stomach | | | | | |
| 43502 | C | Surgical repair of stomach | | | | | |
| 43510 | C | Surgical opening of stomach | | | | | |
| 43520 | C | Incision of pyloric muscle | | | | | |
| 43600 | T | Biopsy of stomach | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43605 | C | Biopsy of stomach | | | | | |
| 43610 | C | Excision of stomach lesion | | | | | |
| 43611 | C | Excision of stomach lesion | | | | | |
| 43620 | C | Removal of stomach | | | | | |
| 43621 | C | Removal of stomach | | | | | |
| 43622 | C | Removal of stomach | | | | | |
| 43631 | C | Removal of stomach, partial | | | | | |
| 43632 | C | Removal of stomach, partial | | | | | |
| 43633 | C | Removal of stomach, partial | | | | | |
| 43634 | C | Removal of stomach, partial | | | | | |
| 43635 | C | Removal of stomach, partial | | | | | |
| 43638 | C | Removal of stomach, partial | | | | | |
| 43639 | C | Removal of stomach, partial | | | | | |
| 43640 | C | Vagotomy & pylorus repair | | | | | |
| 43641 | C | Vagotomy & pylorus repair | | | | | |
| 43651 | T | Laparoscopy, vagus nerve | 0132 | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 43652 | T | Laparoscopy, vagus nerve | 0132 | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 43653 | T | Laparoscopy, gastrostomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 43659 | T | Laparoscope proc, stom | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 43750 | T | Place gastrostomy tube | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43752 | E | Nasal/orogastric w/stent | | | | | |
| 43760 | T | Change gastrostomy tube | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 43761 | T | Reposition gastrostomy tube | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 43800 | C | Reconstruction of pylorus | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 43810 | C | Fusion of stomach and bowel | | | | | |
| 43820 | C | Fusion of stomach and bowel | | | | | |
| 43825 | C | Fusion of stomach and bowel | | | | | |
| 43830 | T | Place gastrostomy tube | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43831 | T | Place gastrostomy tube | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43832 | C | Place gastrostomy tube | | | | | |
| 43840 | C | Repair of stomach lesion | | | | | |
| 43842 | C | Gastroplasty for obesity | | | | | |
| 43843 | C | Gastroplasty for obesity | | | | | |
| 43846 | C | Gastric bypass for obesity | | | | | |
| 43847 | C | Gastric bypass for obesity | | | | | |
| 43848 | C | Revision gastroplasty | | | | | |
| 43850 | C | Revise stomach-bowel fusion | | | | | |
| 43855 | C | Revise stomach-bowel fusion | | | | | |
| 43860 | C | Revise stomach-bowel fusion | | | | | |
| 43865 | C | Revise stomach-bowel fusion | | | | | |
| 43870 | T | Repair stomach opening | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 43880 | C | Repair stomach-bowel fistula | | | | | |
| 43999 | T | Stomach surgery procedure | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 44005 | C | Freeing of bowel adhesion | | | | | |
| 44010 | C | Incision of small bowel | | | | | |
| 44015 | C | Insert needle cath bowel | | | | | |
| 44020 | C | Explore small intestine | | | | | |
| 44021 | C | Decompress small bowel | | | | | |
| 44025 | C | Incision of large bowel | | | | | |
| 44050 | C | Reduce bowel obstruction | | | | | |
| 44055 | C | Correct malrotation of bowel | | | | | |
| 44100 | T | Biopsy of bowel | 0141 | 7.82 | $406.71 | $150.48 | $81.34 |
| 44110 | C | Excise intestine lesion(s) | | | | | |
| 44111 | C | Excision of bowel lesion(s) | | | | | |
| 44120 | C | Removal of small intestine | | | | | |
| 44121 | C | Removal of small intestine | | | | | |
| 44125 | C | Removal of small intestine | | | | | |
| 44126 | C | Enterectomy w/taper, cong | | | | | |
| 44127 | C | Enterectomy w/o taper, cong | | | | | |
| 44128 | C | Enterectomy cong, add-on | | | | | |
| 44130 | C | Bowel to bowel fusion | | | | | |
| 44132 | C | Enterectomy, cadaver donor | | | | | |
| 44133 | C | Enterectomy, live donor | | | | | |
| 44135 | C | Intestine transplnt, cadaver | | | | | |
| 44136 | C | Intestine transplant, live | | | | | |
| 44139 | C | Mobilization of colon | | | | | |
| 44140 | C | Partial removal of colon | | | | | |
| 44141 | C | Partial removal of colon | | | | | |
| 44143 | C | Partial removal of colon | | | | | |
| 44144 | C | Partial removal of colon | | | | | |
| 44145 | C | Partial removal of colon | | | | | |
| 44146 | C | Partial removal of colon | | | | | |
| 44147 | C | Partial removal of colon | | | | | |
| 44150 | C | Removal of colon | | | | | |
| 44151 | C | Removal of colon/ileostomy | | | | | |
| 44152 | C | Removal of colon/ileostomy | | | | | |
| 44153 | C | Removal of colon/ileostomy | | | | | |
| 44155 | C | Removal of colon/ileostomy | | | | | |
| 44156 | C | Removal of colon/ileostomy | | | | | |
| 44160 | C | Removal of colon | | | | | |
| 44200 | T | Laparoscopy, enterolysis | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 44201 | T | Laparoscopy, jejunostomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 44202 | C | Lap resect s/intestine singl | | | | | |
| 44203 | C | Lap resect s/intestine, addl | | | | | |
| 44204 | C | Laparo partial colectomy | | | | | |
| 44205 | C | Lap colectomy part w/ileum | | | | | |
| 44209 | T | Laparoscope proc, intestine | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 44300 | C | Open bowel to skin | | | | | |
| 44310 | C | Ileostomy/jejunostomy | | | | | |
| 44312 | T | Revision of ileostomy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 44314 | C | Revision of ileostomy | | | | | |
| 44316 | C | Devise bowel pouch | | | | | |
| 44320 | C | Colostomy | | | | | |
| 44322 | C | Colostomy with biopsies | | | | | |
| 44340 | T | Revision of colostomy | 0027 | 15.73 | $818.10 | $343.60 | $163.62 |
| 44345 | C | Revision of colostomy | | | | | |
| 44346 | C | Revision of colostomy | | | | | |
| 44360 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44361 | T | Small bowel endoscopy/biopsy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44363 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44364 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44365 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44366 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44369 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44370 | T | Small bowel endoscopy/stent | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44372 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44373 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44376 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44377 | T | Small bowel endoscopy/biopsy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44378 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44379 | T | S bowel endoscope w/stent | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44380 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44382 | T | Small bowel endoscopy | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44383 | T | Ileoscopy w/stent | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44385 | T | Endoscopy of bowel pouch | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44386 | T | Endoscopy, bowel pouch/biop | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44388 | T | Colon endoscopy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44389 | T | Colonoscopy with biopsy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44390 | T | Colonoscopy for foreign body | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44391 | T | Colonoscopy for bleeding | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44392 | T | Colonoscopy & polypectomy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44393 | T | Colonoscopy, lesion removal | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44394 | T | Colonoscopy w/snare | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44397 | T | Colonoscopy w stent | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 44500 | T | Intro, gastrointestinal tube | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 44602 | C | Suture, small intestine | | | | | |
| 44603 | C | Suture, small intestine | | | | | |
| 44604 | C | Suture, large intestine | | | | | |
| 44605 | C | Repair of bowel lesion | | | | | |
| 44615 | C | Intestinal stricturoplasty | | | | | |
| 44620 | C | Repair bowel opening | | | | | |
| 44625 | C | Repair bowel opening | | | | | |
| 44626 | C | Repair bowel opening | | | | | |
| 44640 | C | Repair bowel-skin fistula | | | | | |
| 44650 | C | Repair bowel fistula | | | | | |
| 44660 | C | Repair bowel-bladder fistula | | | | | |
| 44661 | C | Repair bowel-bladder fistula | | | | | |
| 44680 | C | Surgical revision, intestine | | | | | |
| 44700 | C | Suspend bowel w/prosthesis | | | | | |
| 44799 | T | Intestine surgery procedure | 0142 | 8.21 | $426.99 | $152.78 | $85.40 |
| 44800 | C | Excision of bowel pouch | | | | | |
| 44820 | C | Excision of mesentery lesion | | | | | |
| 44850 | C | Repair of mesentery | | | | | |
| 44899 | C | Bowel surgery procedure | | | | | |
| 44900 | C | Drain app abscess, open | | | | | |
| 44901 | C | Drain app abscess, percut | | | | | |
| 44950 | C | Appendectomy | | | | | |
| 44955 | C | Appendectomy add-on | | | | | |
| 44960 | C | Appendectomy | | | | | |
| 44970 | T | Laparoscopy, appendectomy | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 44979 | T | Laparoscope proc, app | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 45000 | T | Drainage of pelvic abscess | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 45005 | T | Drainage of rectal abscess | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 45020 | T | Drainage of rectal abscess | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 45100 | T | Biopsy of rectum | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 45108 | T | Removal of anorectal lesion | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 45110 | C | Removal of rectum | | | | | |
| 45111 | C | Partial removal of rectum | | | | | |
| 45112 | C | Removal of rectum | | | | | |
| 45113 | C | Partial proctectomy | | | | | |
| 45114 | C | Partial removal of rectum | | | | | |
| 45116 | C | Partial removal of rectum | | | | | |
| 45119 | C | Remove rectum w/reservoir | | | | | |
| 45120 | C | Removal of rectum | | | | | |
| 45121 | C | Removal of rectum and colon | | | | | |
| 45123 | C | Partial proctectomy | | | | | |
| 45126 | C | Pelvic exenteration | | | | | |
| 45130 | C | Excision of rectal prolapse | | | | | |
| 45135 | C | Excision of rectal prolapse | | | | | |
| 45136 | C | Excise ileoanal reservoir | | | | | |
| 45150 | T | Excision of rectal stricture | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 45160 | T | Excision of rectal lesion | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 45170 | T | Excision of rectal lesion | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 45190 | T | Destruction, rectal tumor | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 45300 | T | Proctosigmoidoscopy dx | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45303 | T | Proctosigmoidoscopy dilate | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45305 | T | Protosigmoidoscopy w/bx | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45307 | T | Protosigmoidoscopy fb | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45308 | T | Protosigmoidoscopy removal | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45309 | T | Protosigmoidoscopy removal | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45315 | T | Protosigmoidoscopy removal | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45317 | T | Protosigmoidoscopy bleed | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45320 | T | Protosigmoidoscopy ablate | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45321 | T | Protosigmoidoscopy volvul | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45327 | T | Proctosigmoidoscopy w/stent | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45330 | T | Diagnostic sigmoidoscopy | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45331 | T | Sigmoidoscopy and biopsy | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45332 | T | Sigmoidoscopy w/fb removal | 0146 | 3.47 | $180.47 | $64.40 | $36.09 |
| 45333 | T | Sigmoidoscopy & polypectomy | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45334 | T | Sigmoidoscopy for bleeding | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45337 | T | Sigmoidoscopy & decompress | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45338 | T | Sigmoidoscpy w/tumr remove | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45339 | T | Sigmoidoscopy w/ablate tumr | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45341 | T | Sigmoidoscopy w/ultrasound | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45342 | T | Sigmoidoscopy w/us guide bx | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45345 | T | Sigmodoscopy w/stent | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 45355 | T | Surgical colonoscopy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45378 | T | Diagnostic colonoscopy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45379 | T | Colonoscopy w/fb removal | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45380 | T | Colonoscopy and biopsy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45382 | T | Colonoscopy/control bleeding | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45383 | T | Lesion removal colonoscopy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45384 | T | Lesion remove colonoscopy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45385 | T | Lesion removal colonoscopy | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45387 | T | Colonoscopy w/stent | 0143 | 8.37 | $435.32 | $186.06 | $87.06 |
| 45500 | T | Repair of rectum | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 45505 | T | Repair of rectum | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 45520 | T | Treatment of rectal prolapse | 0098 | 1.90 | $98.82 | $20.88 | $19.76 |
| 45540 | C | Correct rectal prolapse | | | | | |
| 45541 | C | Correct rectal prolapse | | | | | |
| 45550 | C | Repair rectum/remove sigmoid | | | | | |
| 45560 | T | Repair of rectocele | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 45562 | C | Exploration/repair of rectum | | | | | |
| 45563 | C | Exploration/repair of rectum | | | | | |
| 45800 | C | Repair rect/bladder fistula | | | | | |
| 45805 | C | Repair fistula w/colostomy | | | | | |
| 45820 | C | Repair rectourethral fistula | | | | | |
| 45825 | C | Repair fistula w/colostomy | | | | | |
| 45900 | T | Reduction of rectal prolapse | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 45905 | T | Dilation of anal sphincter | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 45910 | T | Dilation of rectal narrowing | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 45915 | T | Remove rectal obstruction | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 45999 | T | Rectum surgery procedure | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 46020 | T | Placement of seton | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 46030 | T | Removal of rectal marker | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 46040 | T | Incision of rectal abscess | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46045 | T | Incision of rectal abscess | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46050 | T | Incision of anal abscess | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46060 | T | Incision of rectal abscess | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46070 | T | Incision of anal septum | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46080 | T | Incision of anal sphincter | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 46083 | T | Incise external hemorrhoid | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 46200 | T | Removal of anal fissure | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46210 | T | Removal of anal crypt | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 46211 | T | Removal of anal crypts | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46220 | T | Removal of anal tab | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 46221 | T | Ligation of hemorrhoid(s) | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 46230 | T | Removal of anal tabs | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 46250 | T | Hemorrhoidectomy | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46255 | T | Hemorrhoidectomy | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46257 | T | Remove hemorrhoids & fissure | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46258 | T | Remove hemorrhoids & fistula | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46260 | T | Hemorrhoidectomy | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46261 | T | Remove hemorrhoids & fissure | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46262 | T | Remove hemorrhoids & fistula | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46270 | T | Removal of anal fistula | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46275 | T | Removal of anal fistula | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46280 | T | Removal of anal fistula | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46285 | T | Removal of anal fistula | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46288 | T | Repair anal fistula | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46320 | T | Removal of hemorrhoid clot | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 46500 | T | Injection into hemorrhoid(s) | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46600 | X | Diagnostic anoscopy | 0340 | 0.66 | $34.33 | | $6.87 |
| 46604 | T | Anoscopy and dilation | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46606 | T | Anoscopy and biopsy | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46608 | T | Anoscopy/ remove for body | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46610 | T | Anoscopy/remove lesion | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46611 | T | Anoscopy | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46612 | T | Anoscopy/ remove lesions | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46614 | T | Anoscopy/control bleeding | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46615 | T | Anoscopy | 0147 | 7.30 | $379.67 | $83.53 | $75.93 |
| 46700 | T | Repair of anal stricture | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46705 | C | Repair of anal stricture | | | | | |
| 46715 | C | Repair of anovaginal fistula | | | | | |
| 46716 | C | Repair of anovaginal fistula | | | | | |
| 46730 | C | Construction of absent anus | | | | | |
| 46735 | C | Construction of absent anus | | | | | |
| 46740 | C | Construction of absent anus | | | | | |
| 46742 | C | Repair of imperforated anus | | | | | |
| 46744 | C | Repair of cloacal anomaly | | | | | |
| 46746 | C | Repair of cloacal anomaly | | | | | |
| 46748 | C | Repair of cloacal anomaly | | | | | |
| 46750 | T | Repair of anal sphincter | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46751 | C | Repair of anal sphincter | | | | | |
| 46753 | T | Reconstruction of anus | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46754 | T | Removal of suture from anus | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 46760 | T | Repair of anal sphincter | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46761 | T | Repair of anal sphincter | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46762 | T | Implant artificial sphincter | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46900 | T | Destruction, anal lesion(s) | 0016 | 2.57 | $133.66 | $56.14 | $26.73 |
| 46910 | T | Destruction, anal lesion(s) | 0017 | 16.46 | $856.07 | $227.84 | $171.21 |
| 46916 | T | Cryosurgery, anal lesion(s) | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 46917 | T | Laser surgery, anal lesions | 0695 | 19.65 | $1,021.98 | $266.59 | $204.40 |
| 46922 | T | Excision of anal lesion(s) | 0695 | 19.65 | $1,021.98 | $266.59 | $204.40 |
| 46924 | T | Destruction, anal lesion(s) | 0695 | 19.65 | $1,021.98 | $266.59 | $204.40 |
| 46934 | T | Destruction of hemorrhoids | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46935 | T | Destruction of hemorrhoids | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46936 | T | Destruction of hemorrhoids | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 46937 | T | Cryotherapy of rectal lesion | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 46938 | T | Cryotherapy of rectal lesion | 0150 | 22.02 | $1,145.24 | $437.12 | $229.05 |
| 46940 | T | Treatment of anal fissure | 0149 | 16.91 | $879.47 | $293.06 | $175.89 |
| 46942 | T | Treatment of anal fissure | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 46945 | T | Ligation of hemorrhoids | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46946 | T | Ligation of hemorrhoids | 0155 | 10.05 | $522.69 | $188.17 | $104.54 |
| 46999 | T | Anus surgery procedure | 0148 | 3.61 | $187.75 | $67.59 | $37.55 |
| 47000 | T | Needle biopsy of liver | 0685 | 4.47 | $232.48 | $102.29 | $46.50 |
| 47001 | N | Needle biopsy, liver add-on | | | | | |
| 47010 | C | Open drainage, liver lesion | | | | | |
| 47011 | T | Percut drain, liver lesion | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 47015 | C | Inject/aspirate liver cyst | | | | | |
| 47100 | C | Wedge biopsy of liver | | | | | |
| 47120 | C | Partial removal of liver | | | | | |
| 47122 | C | Extensive removal of liver | | | | | |
| 47125 | C | Partial removal of liver | | | | | |
| 47130 | C | Partial removal of liver | | | | | |
| 47133 | C | Removal of donor liver | | | | | |
| 47134 | C | Partial removal, donor liver | | | | | |
| 47135 | C | Transplantation of liver | | | | | |
| 47136 | C | Transplantation of liver | | | | | |
| 47300 | C | Surgery for liver lesion | | | | | |
| 47350 | C | Repair liver wound | | | | | |
| 47360 | C | Repair liver wound | | | | | |
| 47361 | C | Repair liver wound | | | | | |
| 47362 | C | Repair liver wound | | | | | |
| 47370 | T | Laparo ablate liver tumor rf | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 47371 | T | Laparo ablate liver cryosug | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 47379 | T | Laparoscope procedure, liver | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 47380 | C | Open ablate liver tumor rf | | | | | |
| 47381 | C | Open ablate liver tumor cryo | | | | | |
| 47382 | T | Percut ablate liver rf | 0980 | | $1,875.00 | | $375.00 |
| 47399 | T | Liver surgery procedure | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 47400 | C | Incision of liver duct | | | | | |
| 47420 | C | Incision of bile duct | | | | | |
| 47425 | C | Incision of bile duct | | | | | |
| 47460 | C | Incise bile duct sphincter | | | | | |
| 47480 | C | Incision of gallbladder | | | | | |
| 47490 | T | Incision of gallbladder | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47500 | N | Injection for liver x-rays | | | | | |
| 47505 | N | Injection for liver x-rays | | | | | |
| 47510 | T | Insert catheter, bile duct | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47511 | T | Insert bile duct drain | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47525 | T | Change bile duct catheter | 0122 | 3.89 | $202.32 | $46.53 | $40.46 |
| 47530 | T | Revise/reinsert bile tube | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 47550 | C | Bile duct endoscopy add-on | | | | | |
| 47552 | T | Biliary endoscopy thru skin | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47553 | T | Biliary endoscopy thru skin | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47554 | T | Biliary endoscopy thru skin | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47555 | T | Biliary endoscopy thru skin | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47556 | T | Biliary endoscopy thru skin | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47560 | T | Laparoscopy w/cholangio | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 47561 | T | Laparo w/cholangio/biopsy | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 47562 | T | Laparoscopic cholecystectomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 47563 | T | Laparo cholecystectomy/graph | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 47564 | T | Laparo cholecystectomy/explr | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 47570 | C | Laparo cholecystoenterostomy | | | | | |
| 47579 | T | Laparoscope proc, biliary | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 47600 | C | Removal of gallbladder | | | | | |
| 47605 | C | Removal of gallbladder | | | | | |
| 47610 | C | Removal of gallbladder | | | | | |
| 47612 | C | Removal of gallbladder | | | | | |
| 47620 | C | Removal of gallbladder | | | | | |
| 47630 | T | Remove bile duct stone | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 47700 | C | Exploration of bile ducts | | | | | |
| 47701 | C | Bile duct revision | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 47711 | C | Excision of bile duct tumor | | | | | |
| 47712 | C | Excision of bile duct tumor | | | | | |
| 47715 | C | Excision of bile duct cyst | | | | | |
| 47716 | C | Fusion of bile duct cyst | | | | | |
| 47720 | C | Fuse gallbladder & bowel | | | | | |
| 47721 | C | Fuse upper gi structures | | | | | |
| 47740 | C | Fuse gallbladder & bowel | | | | | |
| 47741 | C | Fuse gallbladder & bowel | | | | | |
| 47760 | C | Fuse bile ducts and bowel | | | | | |
| 47765 | C | Fuse liver ducts & bowel | | | | | |
| 47780 | C | Fuse bile ducts and bowel | | | | | |
| 47785 | C | Fuse bile ducts and bowel | | | | | |
| 47800 | C | Reconstruction of bile ducts | | | | | |
| 47801 | C | Placement, bile duct support | | | | | |
| 47802 | C | Fuse liver duct & intestine | | | | | |
| 47900 | C | Suture bile duct injury | | | | | |
| 47999 | T | Bile tract surgery procedure | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 48000 | C | Drainage of abdomen | | | | | |
| 48001 | C | Placement of drain, pancreas | | | | | |
| 48005 | C | Resect/debride pancreas | | | | | |
| 48020 | C | Removal of pancreatic stone | | | | | |
| 48100 | C | Biopsy of pancreas, open | | | | | |
| 48102 | T | Needle biopsy, pancreas | 0685 | 4.47 | $232.48 | $102.29 | $46.50 |
| 48120 | C | Removal of pancreas lesion | | | | | |
| 48140 | C | Partial removal of pancreas | | | | | |
| 48145 | C | Partial removal of pancreas | | | | | |
| 48146 | C | Pancreatectomy | | | | | |
| 48148 | C | Removal of pancreatic duct | | | | | |
| 48150 | C | Partial removal of pancreas | | | | | |
| 48152 | C | Pancreatectomy | | | | | |
| 48153 | C | Pancreatectomy | | | | | |
| 48154 | C | Pancreatectomy | | | | | |
| 48155 | C | Removal of pancreas | | | | | |
| 48160 | E | Pancreas removal/transplant | | | | | |
| 48180 | C | Fuse pancreas and bowel | | | | | |
| 48400 | C | Injection, intraop add-on | | | | | |
| 48500 | C | Surgery of pancreatic cyst | | | | | |
| 48510 | C | Drain pancreatic pseudocyst | | | | | |
| 48511 | T | Drain pancreatic pseudocyst | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 48520 | C | Fuse pancreas cyst and bowel | | | | | |
| 48540 | C | Fuse pancreas cyst and bowel | | | | | |
| 48545 | C | Pancreatorrhaphy | | | | | |
| 48547 | C | Duodenal exclusion | | | | | |
| 48550 | E | Donor pancreatectomy | | | | | |
| 48554 | E | Transpl allograft pancreas | | | | | |
| 48556 | C | Removal, allograft pancreas | | | | | |
| 48999 | T | Pancreas surgery procedure | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 49000 | C | Exploration of abdomen | | | | | |
| 49002 | C | Reopening of abdomen | | | | | |
| 49010 | C | Exploration behind abdomen | | | | | |
| 49020 | C | Drain abdominal abscess | | | | | |
| 49021 | C | Drain abdominal abscess | | | | | |
| 49040 | C | Drain, open, abdom abscess | | | | | |
| 49041 | C | Drain, percut, abdom abscess | | | | | |
| 49060 | C | Drain, open, retrop abscess | | | | | |
| 49061 | C | Drain, percut, retroper absc | | | | | |
| 49062 | C | Drain to peritoneal cavity | | | | | |
| 49080 | T | Puncture, peritoneal cavity | 0070 | 3.30 | $171.63 | | $34.33 |
| 49081 | T | Removal of abdominal fluid | 0070 | 3.30 | $171.63 | | $34.33 |
| 49085 | T | Remove abdomen foreign body | 0153 | 25.99 | $1,351.71 | $540.68 | $270.34 |
| 49180 | T | Biopsy, abdominal mass | 0685 | 4.47 | $232.48 | $102.29 | $46.50 |
| 49200 | T | Removal of abdominal lesion | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 49201 | C | Removal of abdominal lesion | | | | | |
| 49215 | C | Excise sacral spine tumor | | | | | |
| 49220 | C | Multiple surgery, abdomen | | | | | |
| 49250 | T | Excision of umbilicus | 0153 | 25.99 | $1,351.71 | $540.68 | $270.34 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 49255 | C | Removal of omentum | | | | | |
| 49320 | T | Diag laparo separate proc | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 49321 | T | Laparoscopy, biopsy | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 49322 | T | Laparoscopy, aspiration | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 49323 | T | Laparo drain lymphocele | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 49329 | T | Laparo proc, abdm/per/oment | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 49400 | N | Air injection into abdomen | | | | | |
| 49420 | T | Insert abdominal drain | 0153 | 25.99 | $1,351.71 | $540.68 | $270.34 |
| 49421 | T | Insert abdominal drain | 0153 | 25.99 | $1,351.71 | $540.68 | $270.34 |
| 49422 | T | Remove perm cannula/catheter | 0105 | 19.14 | $995.45 | $370.40 | $199.09 |
| 49423 | T | Exchange drainage catheter | 0152 | 6.18 | $321.42 | $80.36 | $64.28 |
| 49424 | N | Assess cyst, contrast inject | | | | | |
| 49425 | C | Insert abdomen-venous drain | | | | | |
| 49426 | T | Revise abdomen-venous shunt | 0153 | 25.99 | $1,351.71 | $540.68 | $270.34 |
| 49427 | N | Injection, abdominal shunt | | | | | |
| 49428 | C | Ligation of shunt | | | | | |
| 49429 | T | Removal of shunt | 0105 | 19.14 | $995.45 | $370.40 | $199.09 |
| 49491 | T | Repairing hern premie reduc | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49492 | T | Rpr ing hern premie, blocked | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49495 | T | Rpr ing hernia baby, reduc | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49496 | T | Rpr ing hernia baby, blocked | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49500 | T | Rpr ing hernia, init, reduce | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49501 | T | Rpr ing hernia, init blocked | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49505 | T | Rpr i/hern init reduc>5 yr | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49507 | T | Rpr i/hern init block>5 yr | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49520 | T | Rerepair ing hernia, reduce | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49521 | T | Rerepair ing hernia, blocked | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49525 | T | Repair ing hernia, sliding | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49540 | T | Repair lumbar hernia | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49550 | T | Rpr fem hernia, init, reduce | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49553 | T | Rpr fem hernia, init blocked | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49555 | T | Rerepair fem hernia, reduce | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49557 | T | Rerepair fem hernia, blocked | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49560 | T | Rpr ventral hern init, reduc | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49561 | T | Rpr ventral hern init, block | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49565 | T | Rerepair ventrl hern, reduce | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49566 | T | Rerepair ventrl hern, block | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49568 | T | Hernia repair w/mesh | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49570 | T | Rpr epigastric hern, reduce | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49572 | T | Rpr epigastric hern, blocked | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49580 | T | Rpr umbil hern, reduc <5 yr | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49582 | T | Rpr umbil hern, block < 5 yr | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49585 | T | Rpr umbil hern, reduc > 5 yr | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49587 | T | Rpr umbil hern, block > 5 yr | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49590 | T | Repair spigelian hernia | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49600 | T | Repair umbilical lesion | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 49605 | C | Repair umbilical lesion | | | | | |
| 49606 | C | Repair umbilical lesion | | | | | |
| 49610 | C | Repair umbilical lesion | | | | | |
| 49611 | C | Repair umbilical lesion | | | | | |
| 49650 | T | Laparo hernia repair initial | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 49651 | T | Laparo hernia repair recur | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 49659 | T | Laparo proc, hernia repair | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 49900 | C | Repair of abdominal wall | | | | | |
| 49905 | C | Omental flap | | | | | |
| 49906 | C | Free omental flap, microvasc | | | | | |
| 49999 | T | Abdomen surgery procedure | 0153 | 25.99 | $1,351.71 | $540.68 | $270.34 |
| 50010 | C | Exploration of kidney | | | | | |
| 50020 | C | Renal abscess, open drain | | | | | |
| 50021 | T | Renal abscess, percut drain | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 50040 | C | Drainage of kidney | | | | | |
| 50045 | C | Exploration of kidney | | | | | |
| 50060 | C | Removal of kidney stone | | | | | |
| 50065 | C | Incision of kidney | | | | | |
| 50070 | C | Incision of kidney | | | | | |
| 50075 | C | Removal of kidney stone | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 50080 | T | Removal of kidney stone | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 50081 | T | Removal of kidney stone | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 50100 | C | Revise kidney blood vessels | | | | | |
| 50120 | C | Exploration of kidney | | | | | |
| 50125 | C | Explore and drain kidney | | | | | |
| 50130 | C | Removal of kidney stone | | | | | |
| 50135 | C | Exploration of kidney | | | | | |
| 50200 | T | Biopsy of kidney | 0685 | 4.47 | $232.48 | $102.29 | $46.50 |
| 50205 | C | Biopsy of kidney | | | | | |
| 50220 | C | Remove kidney, open | | | | | |
| 50225 | C | Removal kidney open, complex | | | | | |
| 50230 | C | Removal kidney open, radical | | | | | |
| 50234 | C | Removal of kidney & ureter | | | | | |
| 50236 | C | Removal of kidney & ureter | | | | | |
| 50240 | C | Partial removal of kidney | | | | | |
| 50280 | C | Removal of kidney lesion | | | | | |
| 50290 | C | Removal of kidney lesion | | | | | |
| 50300 | C | Removal of donor kidney | | | | | |
| 50320 | C | Removal of donor kidney | | | | | |
| 50340 | C | Removal of kidney | | | | | |
| 50360 | C | Transplantation of kidney | | | | | |
| 50365 | C | Transplantation of kidney | | | | | |
| 50370 | C | Remove transplanted kidney | | | | | |
| 50380 | C | Reimplantation of kidney | | | | | |
| 50390 | T | Drainage of kidney lesion | 0685 | 4.47 | $232.48 | $102.29 | $46.50 |
| 50392 | T | Insert kidney drain | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50393 | T | Insert ureteral tube | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50394 | N | Injection for kidney x-ray | | | | | |
| 50395 | T | Create passage to kidney | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50396 | T | Measure kidney pressure | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 50398 | T | Change kidney tube | 0122 | 3.89 | $202.32 | $46.53 | $40.46 |
| 50400 | C | Revision of kidney/ureter | | | | | |
| 50405 | C | Revision of kidney/ureter | | | | | |
| 50500 | C | Repair of kidney wound | | | | | |
| 50520 | C | Close kidney-skin fistula | | | | | |
| 50525 | C | Repair renal-abdomen fistula | | | | | |
| 50526 | C | Repair renal-abdomen fistula | | | | | |
| 50540 | C | Revision of horseshoe kidney | | | | | |
| 50541 | T | Laparo ablate renal cyst | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 50544 | T | Laparoscopy, pyeloplasty | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 50545 | C | Laparo radical nephrectomy | | | | | |
| 50546 | C | Laparoscopic nephrectomy | | | | | |
| 50547 | C | Laparo removal donor kidney | | | | | |
| 50548 | C | Laparo remove k/ureter | | | | | |
| 50549 | T | Laparoscope proc, renal | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 50551 | T | Kidney endoscopy | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 50553 | T | Kidney endoscopy | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50555 | T | Kidney endoscopy & biopsy | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 50557 | T | Kidney endoscopy & treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 50559 | T | Renal endoscopy/radiotracer | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 50561 | T | Kidney endoscopy & treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50570 | C | Kidney endoscopy | | | | | |
| 50572 | C | Kidney endoscopy | | | | | |
| 50574 | C | Kidney endoscopy & biopsy | | | | | |
| 50575 | C | Kidney endoscopy | | | | | |
| 50576 | C | Kidney endoscopy & treatment | | | | | |
| 50578 | C | Renal endoscopy/radiotracer | | | | | |
| 50580 | C | Kidney endoscopy & treatment | | | | | |
| 50590 | T | Fragmenting of kidney stone | 0169 | 46.44 | $2,415.30 | $1,115.69 | $483.06 |
| 50600 | C | Exploration of ureter | | | | | |
| 50605 | C | Insert ureteral support | | | | | |
| 50610 | C | Removal of ureter stone | | | | | |
| 50620 | C | Removal of ureter stone | | | | | |
| 50630 | C | Removal of ureter stone | | | | | |
| 50650 | C | Removal of ureter | | | | | |
| 50660 | C | Removal of ureter | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 50684 | N | Injection for ureter x-ray | | | | | |
| 50686 | T | Measure ureter pressure | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 50688 | T | Change of ureter tube | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 50690 | N | Injection for ureter x-ray | | | | | |
| 50700 | C | Revision of ureter | | | | | |
| 50715 | C | Release of ureter | | | | | |
| 50722 | C | Release of ureter | | | | | |
| 50725 | C | Release/revise ureter | | | | | |
| 50727 | C | Revise ureter | | | | | |
| 50728 | C | Revise ureter | | | | | |
| 50740 | C | Fusion of ureter & kidney | | | | | |
| 50750 | C | Fusion of ureter & kidney | | | | | |
| 50760 | C | Fusion of ureters | | | | | |
| 50770 | C | Splicing of ureters | | | | | |
| 50780 | C | Reimplant ureter in bladder | | | | | |
| 50782 | C | Reimplant ureter in bladder | | | | | |
| 50783 | C | Reimplant ureter in bladder | | | | | |
| 50785 | C | Reimplant ureter in bladder | | | | | |
| 50800 | C | Implant ureter in bowel | | | | | |
| 50810 | C | Fusion of ureter & bowel | | | | | |
| 50815 | C | Urine shunt to intestine | | | | | |
| 50820 | C | Construct bowel bladder | | | | | |
| 50825 | C | Construct bowel bladder | | | | | |
| 50830 | C | Revise urine flow | | | | | |
| 50840 | C | Replace ureter by bowel | | | | | |
| 50845 | C | Appendico-vesicostomy | | | | | |
| 50860 | C | Transplant ureter to skin | | | | | |
| 50900 | C | Repair of ureter | | | | | |
| 50920 | C | Closure ureter/skin fistula | | | | | |
| 50930 | C | Closure ureter/bowel fistula | | | | | |
| 50940 | C | Release of ureter | | | | | |
| 50945 | T | Laparoscopy ureterolithotomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 50947 | T | Laparo new ureter/bladder | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 50948 | T | Laparo new ureter/bladder | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 50949 | T | Laparoscope proc, ureter | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 50951 | T | Endoscopy of ureter | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 50953 | T | Endoscopy of ureter | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 50955 | T | Ureter endoscopy & biopsy | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50957 | T | Ureter endoscopy & treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50959 | T | Ureter endoscopy & tracer | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50961 | T | Ureter endoscopy & treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50970 | T | Ureter endoscopy | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 50972 | T | Ureter endoscopy & catheter | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 50974 | T | Ureter endoscopy & biopsy | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50976 | T | Ureter endoscopy & treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50978 | T | Ureter endoscopy & tracer | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 50980 | T | Ureter endoscopy & treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 51000 | T | Drainage of bladder | 0165 | 12.62 | $656.35 | | $131.27 |
| 51005 | T | Drainage of bladder | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51010 | T | Drainage of bladder | 0165 | 12.62 | $656.35 | | $131.27 |
| 51020 | T | Incise & treat bladder | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 51030 | T | Incise & treat bladder | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 51040 | T | Incise & drain bladder | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 51045 | T | Incise bladder/drain ureter | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 51050 | T | Removal of bladder stone | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 51060 | C | Removal of ureter stone | | | | | |
| 51065 | T | Remove ureter calculus | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 51080 | T | Drainage of bladder abscess | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 51500 | T | Removal of bladder cyst | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 51520 | T | Removal of bladder lesion | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 51525 | C | Removal of bladder lesion | | | | | |
| 51530 | C | Removal of bladder lesion | | | | | |
| 51535 | C | Repair of ureter lesion | | | | | |
| 51550 | C | Partial removal of bladder | | | | | |
| 51555 | C | Partial removal of bladder | | | | | |
| 51565 | C | Revise bladder & ureter(s) | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 51570 | C | Removal of bladder | | | | | |
| 51575 | C | Removal of bladder & nodes | | | | | |
| 51580 | C | Remove bladder/revise tract | | | | | |
| 51585 | C | Removal of bladder & nodes | | | | | |
| 51590 | C | Remove bladder/revise tract | | | | | |
| 51595 | C | Remove bladder/revise tract | | | | | |
| 51596 | C | Remove bladder/create pouch | | | | | |
| 51597 | C | Removal of pelvic structures | | | | | |
| 51600 | N | Injection for bladder x-ray | | | | | |
| 51605 | N | Preparation for bladder xray | | | | | |
| 51610 | N | Injection for bladder x-ray | | | | | |
| 51700 | T | Irrigation of bladder | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51705 | T | Change of bladder tube | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 51710 | T | Change of bladder tube | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 51715 | T | Endoscopic injection/implant | 0167 | 27.15 | $1,412.04 | $555.84 | $282.41 |
| 51720 | T | Treatment of bladder lesion | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 51725 | T | Simple cystometrogram | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 51726 | T | Complex cystometrogram | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 51736 | T | Urine flow measurement | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51741 | T | Electro-uroflowmetry, first | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51772 | T | Urethra pressure profile | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51784 | T | Anal/urinary muscle study | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51785 | T | Anal/urinary muscle study | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51792 | T | Urinary reflex study | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51795 | T | Urine voiding pressure study | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51797 | T | Intraabdominal pressure test | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 51800 | C | Revision of bladder/urethra | | | | | |
| 51820 | C | Revision of urinary tract | | | | | |
| 51840 | C | Attach bladder/urethra | | | | | |
| 51841 | C | Attach bladder/urethra | | | | | |
| 51845 | C | Repair bladder neck | | | | | |
| 51860 | C | Repair of bladder wound | | | | | |
| 51865 | C | Repair of bladder wound | | | | | |
| 51880 | T | Repair of bladder opening | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 51900 | C | Repair bladder/vagina lesion | | | | | |
| 51920 | C | Close bladder-uterus fistula | | | | | |
| 51925 | C | Hysterectomy/bladder repair | | | | | |
| 51940 | C | Correction of bladder defect | | | | | |
| 51960 | C | Revision of bladder & bowel | | | | | |
| 51980 | C | Construct bladder opening | | | | | |
| 51990 | T | Laparo urethral suspension | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 51992 | T | Laparo sling operation | 0132 | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 52000 | T | Cystoscopy | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 52001 | T | Cystoscopy, removal of clots | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 52005 | T | Cystoscopy & ureter catheter | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52007 | T | Cystoscopy and biopsy | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52010 | T | Cystoscopy & duct catheter | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 52204 | T | Cystoscopy | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52214 | T | Cystoscopy and treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52224 | T | Cystoscopy and treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52234 | T | Cystoscopy and treatment | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52235 | T | Cystoscopy and treatment | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52240 | T | Cystoscopy and treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52250 | T | Cystoscopy and radiotracer | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52260 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52265 | T | Cystoscopy and treatment | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 52270 | T | Cystoscopy & revise urethra | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52275 | T | Cystoscopy & revise urethra | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52276 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52277 | T | Cystoscopy and treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52281 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52282 | T | Cystoscopy, implant stent | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52283 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52285 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52290 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52300 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 52301 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52305 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52310 | T | Cystoscopy and treatment | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 52315 | T | Cystoscopy and treatment | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52317 | T | Remove bladder stone | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52318 | T | Remove bladder stone | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52320 | T | Cystoscopy and treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52325 | T | Cystoscopy, stone removal | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52327 | T | Cystoscopy, inject material | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52330 | T | Cystoscopy and treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52332 | T | Cystoscopy and treatment | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52334 | T | Create passage to kidney | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52341 | T | Cysto w/ureter stricture tx | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52342 | T | Cysto w/up stricture tx | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52343 | T | Cysto w/renal stricture tx | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52344 | T | Cysto/uretero, stone remove | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52345 | T | Cysto/uretero w/up stricture | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52346 | T | Cystouretero w/renal strict | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52347 | T | Cystoscopy, resect ducts | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 52351 | T | Cystouretro & or pyeloscope | 0160 | 6.44 | $334.94 | $105.06 | $66.99 |
| 52352 | T | Cystouretro w/stone remove | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52353 | T | Cystouretero w/lithotripsy | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52354 | T | Cystouretero w/biopsy | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52355 | T | Cystouretero w/excise tumor | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52400 | T | Cystouretero w/congen repr | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52450 | T | Incision of prostate | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52500 | T | Revision of bladder neck | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52510 | T | Dilation prostatic urethra | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 52601 | T | Prostatectomy (TURP) | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52606 | T | Control postop bleeding | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52612 | T | Prostatectomy, first stage | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52614 | T | Prostatectomy, second stage | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52620 | T | Remove residual prostate | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52630 | T | Remove prostate regrowth | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52640 | T | Relieve bladder contracture | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 52647 | T | Laser surgery of prostate | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52648 | T | Laser surgery of prostate | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 52700 | T | Drainage of prostate abscess | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 53000 | T | Incision of urethra | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53010 | T | Incision of urethra | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53020 | T | Incision of urethra | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53025 | T | Incision of urethra | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53040 | T | Drainage of urethra abscess | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53060 | T | Drainage of urethra abscess | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53080 | T | Drainage of urinary leakage | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53085 | C | Drainage of urinary leakage | | | | | |
| 53200 | T | Biopsy of urethra | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53210 | T | Removal of urethra | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53215 | T | Removal of urethra | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53220 | T | Treatment of urethra lesion | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53230 | T | Removal of urethra lesion | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53235 | T | Removal of urethra lesion | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53240 | T | Surgery for urethra pouch | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53250 | T | Removal of urethra gland | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53260 | T | Treatment of urethra lesion | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53265 | T | Treatment of urethra lesion | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53270 | T | Removal of urethra gland | 0167 | 27.15 | $1,412.04 | $555.84 | $282.41 |
| 53275 | T | Repair of urethra defect | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53400 | T | Revise urethra, stage 1 | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53405 | T | Revise urethra, stage 2 | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53410 | T | Reconstruction of urethra | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53415 | C | Reconstruction of urethra | | | | | |
| 53420 | T | Reconstruct urethra, stage 1 | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53425 | T | Reconstruct urethra, stage 2 | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53430 | T | Reconstruction of urethra | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53431 | T | Reconstruct urethra/bladder | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 53440 | T | Correct bladder function | 0179 | 81.28 | $4,227.29 | $1,817.73 | $845.46 |
| 53442 | T | Remove perineal prosthesis | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53444 | T | Insert tandem cuff | 0179 | 81.28 | $4,227.29 | $1,817.73 | $845.46 |
| 53445 | T | Insert uro/ves nck sphincter | 0179 | 81.28 | $4,227.29 | $1,817.73 | $845.46 |
| 53446 | T | Remove uro sphincter | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53447 | T | Remove/replace ur sphincter | 0179 | 81.28 | $4,227.29 | $1,817.73 | $845.46 |
| 53448 | C | Remov/replc ur sphinctr comp | | | | | |
| 53449 | T | Repair uro sphincter | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53450 | T | Revision of urethra | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53460 | T | Revision of urethra | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53502 | T | Repair of urethra injury | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53505 | T | Repair of urethra injury | 0167 | 27.15 | $1,412.04 | $555.84 | $282.41 |
| 53510 | T | Repair of urethra injury | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53515 | T | Repair of urethra injury | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53520 | T | Repair of urethra defect | 0168 | 24.10 | $1,253.42 | $405.60 | $250.68 |
| 53600 | T | Dilate urethra stricture | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 53601 | T | Dilate urethra stricture | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 53605 | T | Dilate urethra stricture | 0161 | 16.03 | $833.70 | $249.36 | $166.74 |
| 53620 | T | Dilate urethra stricture | 0165 | 12.62 | $656.35 | | $131.27 |
| 53621 | T | Dilate urethra stricture | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 53660 | T | Dilation of urethra | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 53661 | T | Dilation of urethra | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 53665 | T | Dilation of urethra | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 53670 | N | Insert urinary catheter | | | | | |
| 53675 | T | Insert urinary catheter | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 53850 | T | Prostatic microwave thermotx | 0675 | 51.57 | $2,682.10 | | $536.42 |
| 53852 | T | Prostatic rf thermotx | 0675 | 51.57 | $2,682.10 | | $536.42 |
| 53853 | T | Prostatic water thermother | 0977 | | $1,125.00 | | $225.00 |
| 53899 | T | Urology surgery procedure | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 54000 | T | Slitting of prepuce | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 54001 | T | Slitting of prepuce | 0166 | 15.63 | $812.90 | $218.73 | $162.58 |
| 54015 | T | Drain penis lesion | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 54050 | T | Destruction, penis lesion(s) | 0013 | 1.10 | $57.21 | $14.30 | $11.44 |
| 54055 | T | Destruction, penis lesion(s) | 0017 | 16.46 | $856.07 | $227.84 | $171.21 |
| 54056 | T | Cryosurgery, penis lesion(s) | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 54057 | T | Laser surg, penis lesion(s) | 0017 | 16.46 | $856.07 | $227.84 | $171.21 |
| 54060 | T | Excision of penis lesion(s) | 0017 | 16.46 | $856.07 | $227.84 | $171.21 |
| 54065 | T | Destruction, penis lesion(s) | 0695 | 19.65 | $1,021.98 | $266.59 | $204.40 |
| 54100 | T | Biopsy of penis | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 54105 | T | Biopsy of penis | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 54110 | T | Treatment of penis lesion | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54111 | T | Treat penis lesion, graft | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54112 | T | Treat penis lesion, graft | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54115 | T | Treatment of penis lesion | 0008 | 16.32 | $848.79 | | $169.76 |
| 54120 | T | Partial removal of penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54125 | C | Removal of penis | | | | | |
| 54130 | C | Remove penis & nodes | | | | | |
| 54135 | C | Remove penis & nodes | | | | | |
| 54150 | T | Circumcision | 0180 | 18.95 | $985.57 | $304.87 | $197.11 |
| 54152 | T | Circumcision | 0180 | 18.95 | $985.57 | $304.87 | $197.11 |
| 54160 | T | Circumcision | 0180 | 18.95 | $985.57 | $304.87 | $197.11 |
| 54161 | T | Circumcision | 0180 | 18.95 | $985.57 | $304.87 | $197.11 |
| 54162 | T | Lysis penil circumcis lesion | 0180 | 18.95 | $985.57 | $304.87 | $197.11 |
| 54163 | T | Repair of circumcision | 0180 | 18.95 | $985.57 | $304.87 | $197.11 |
| 54164 | T | Frenulotomy of penis | 0180 | 18.95 | $985.57 | $304.87 | $197.11 |
| 54200 | T | Treatment of penis lesion | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 54205 | T | Treatment of penis lesion | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54220 | T | Treatment of penis lesion | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 54230 | N | Prepare penis study | | | | | |
| 54231 | T | Dynamic cavernosometry | 0165 | 12.62 | $656.35 | | $131.27 |
| 54235 | T | Penile injection | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 54240 | T | Penis study | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 54250 | T | Penis study | 0165 | 12.62 | $656.35 | | $131.27 |
| 54300 | T | Revision of penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54304 | T | Revision of penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54308 | T | Reconstruction of urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 54312 | T | Reconstruction of urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54316 | T | Reconstruction of urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54318 | T | Reconstruction of urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54322 | T | Reconstruction of urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54324 | T | Reconstruction of urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54326 | T | Reconstruction of urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54328 | T | Revise penis/urethra | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54332 | C | Revise penis/urethra | | | | | |
| 54336 | C | Revise penis/urethra | | | | | |
| 54340 | T | Secondary urethral surgery | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54344 | T | Secondary urethral surgery | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54348 | T | Secondary urethral surgery | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54352 | T | Reconstruct urethra/penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54360 | T | Penis plastic surgery | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54380 | T | Repair penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54385 | T | Repair penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54390 | C | Repair penis and bladder | | | | | |
| 54400 | T | Insert semi-rigid prosthesis | 0182 | 83.80 | $4,358.35 | $1,438.26 | $871.67 |
| 54401 | T | Insert self-contd prosthesis | 0182 | 83.80 | $4,358.35 | $1,438.26 | $871.67 |
| 54405 | T | Insert multi-comp penis pros | 0182 | 83.80 | $4,358.35 | $1,438.26 | $871.67 |
| 54406 | T | Remove multi-comp penis pros | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54408 | T | Repair multi-comp penis pros | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54410 | T | Remove/replace penis prosth | 0182 | 83.80 | $4,358.35 | $1,438.26 | $871.67 |
| 54411 | C | Remv/replc penis pros, comp | | | | | |
| 54415 | T | Remove self-contd penis pros | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54416 | T | Remv/repl penis contain pros | 0182 | 83.80 | $4,358.35 | $1,438.26 | $871.67 |
| 54417 | C | Remv/replc penis pros, compl | | | | | |
| 54420 | T | Revision of penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54430 | C | Revision of penis | | | | | |
| 54435 | T | Revision of penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54440 | T | Repair of penis | 0181 | 29.88 | $1,554.03 | $621.82 | $310.81 |
| 54450 | T | Preputial stretching | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 54500 | T | Biopsy of testis | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 54505 | T | Biopsy of testis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54512 | T | Excise lesion testis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54520 | T | Removal of testis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54522 | T | Orchiectomy, partial | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54530 | T | Removal of testis | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 54535 | C | Extensive testis surgery | | | | | |
| 54550 | T | Exploration for testis | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 54560 | C | Exploration for testis | | | | | |
| 54600 | T | Reduce testis torsion | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54620 | T | Suspension of testis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54640 | T | Suspension of testis | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 54650 | C | Orchiopexy (Fowler-Stephens) | | | | | |
| 54660 | T | Revision of testis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54670 | T | Repair testis injury | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54680 | T | Relocation of testis(es) | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54690 | T | Laparoscopy, orchiectomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 54692 | T | Laparoscopy, orchiopexy | 0132 | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 54699 | T | Laparoscope proc, testis | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 54700 | T | Drainage of scrotum | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54800 | T | Biopsy of epididymis | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 54820 | T | Exploration of epididymis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54830 | T | Remove epididymis lesion | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54840 | T | Remove epididymis lesion | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54860 | T | Removal of epididymis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54861 | T | Removal of epididymis | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54900 | T | Fusion of spermatic ducts | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 54901 | T | Fusion of spermatic ducts | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55000 | T | Drainage of hydrocele | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 55040 | T | Removal of hydrocele | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 55041 | T | Removal of hydroceles | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 55060 | T | Repair of hydrocele | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55100 | T | Drainage of scrotum abscess | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 55110 | T | Explore scrotum | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 55120 | T | Removal of scrotum lesion | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55150 | T | Removal of scrotum | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55175 | T | Revision of scrotum | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55180 | T | Revision of scrotum | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55200 | T | Incision of sperm duct | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55250 | T | Removal of sperm duct(s) | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55300 | N | Prepare, sperm duct x-ray | | | | | |
| 55400 | T | Repair of sperm duct | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55450 | T | Ligation of sperm duct | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55500 | T | Removal of hydrocele | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55520 | T | Removal of sperm cord lesion | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55530 | T | Revise spermatic cord veins | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55535 | T | Revise spermatic cord veins | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 55540 | T | Revise hernia & sperm veins | 0154 | 26.98 | $1,403.20 | $491.12 | $280.64 |
| 55550 | T | Laparo ligate spermatic vein | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 55559 | T | Laparo proc, spermatic cord | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 55600 | C | Incise sperm duct pouch | | | | | |
| 55605 | C | Incise sperm duct pouch | | | | | |
| 55650 | C | Remove sperm duct pouch | | | | | |
| 55680 | T | Remove sperm pouch lesion | 0183 | 22.19 | $1,154.08 | $448.94 | $230.82 |
| 55700 | T | Biopsy of prostate | 0184 | 3.66 | $190.35 | $95.18 | $38.07 |
| 55705 | T | Biopsy of prostate | 0184 | 3.66 | $190.35 | $95.18 | $38.07 |
| 55720 | T | Drainage of prostate abscess | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 55725 | T | Drainage of prostate abscess | 0162 | 21.50 | $1,118.19 | | $223.64 |
| 55801 | C | Removal of prostate | | | | | |
| 55810 | C | Extensive prostate surgery | | | | | |
| 55812 | C | Extensive prostate surgery | | | | | |
| 55815 | C | Extensive prostate surgery | | | | | |
| 55821 | C | Removal of prostate | | | | | |
| 55831 | C | Removal of prostate | | | | | |
| 55840 | C | Extensive prostate surgery | | | | | |
| 55842 | C | Extensive prostate surgery | | | | | |
| 55845 | C | Extensive prostate surgery | | | | | |
| 55859 | T | Percut/needle insert, pros | 0163 | 24.77 | $1,288.26 | | $257.65 |
| 55860 | T | Surgical exposure, prostate | 0165 | 12.62 | $656.35 | | $131.27 |
| 55862 | C | Extensive prostate surgery | | | | | |
| 55865 | C | Extensive prostate surgery | | | | | |
| 55870 | T | Electroejaculation | 0197 | 1.19 | $61.89 | $24.76 | $12.38 |
| 55873 | T | Cryoablate prostate | 0674 | 69.25 | $3,601.62 | | $720.32 |
| 55899 | T | Genital surgery procedure | 0164 | 1.18 | $61.37 | $18.41 | $12.27 |
| 55970 | E | Sex transformation, M to F | | | | | |
| 55980 | E | Sex transformation, F to M | | | | | |
| 56405 | T | I & D of vulva/perineum | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 56420 | T | Drainage of gland abscess | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 56440 | T | Surgery for vulva lesion | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 56441 | T | Lysis of labial lesion(s) | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 56501 | T | Destroy, vulva lesions, simp | 0017 | 16.46 | $856.07 | $227.84 | $171.21 |
| 56515 | T | Destroy vulva lesion/s compl | 0695 | 19.65 | $1,021.98 | $266.59 | $204.40 |
| 56605 | T | Biopsy of vulva/perineum | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 56606 | T | Biopsy of vulva/perineum | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 56620 | T | Partial removal of vulva | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 56625 | T | Complete removal of vulva | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 56630 | C | Extensive vulva surgery | | | | | |
| 56631 | C | Extensive vulva surgery | | | | | |
| 56632 | C | Extensive vulva surgery | | | | | |
| 56633 | C | Extensive vulva surgery | | | | | |
| 56634 | C | Extensive vulva surgery | | | | | |
| 56637 | C | Extensive vulva surgery | | | | | |
| 56640 | C | Extensive vulva surgery | | | | | |
| 56700 | T | Partial removal of hymen | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 56720 | T | Incision of hymen | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 56740 | T | Remove vagina gland lesion | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 56800 | T | Repair of vagina | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 56805 | T | Repair clitoris | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 56810 | T | Repair of perineum | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57000 | T | Exploration of vagina | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 57010 | T | Drainage of pelvic abscess | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57020 | T | Drainage of pelvic fluid | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57022 | T | I & d vaginal hematoma, pp | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 57023 | T | I & d vag hematoma, non-ob | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 57061 | T | Destroy vag lesions, simple | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57065 | T | Destroy vag lesions, complex | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57100 | T | Biopsy of vagina | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57105 | T | Biopsy of vagina | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57106 | T | Remove vagina wall, partial | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57107 | T | Remove vagina tissue, part | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57109 | T | Vaginectomy partial w/nodes | 0202 | 39.09 | $2,033.03 | $996.18 | $406.61 |
| 57110 | C | Remove vagina wall, complete | | | | | |
| 57111 | C | Remove vagina tissue, compl | | | | | |
| 57112 | C | Vaginectomy w/nodes, compl | | | | | |
| 57120 | T | Closure of vagina | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57130 | T | Remove vagina lesion | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57135 | T | Remove vagina lesion | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57150 | T | Treat vagina infection | 0191 | 0.22 | $11.44 | $3.32 | $2.29 |
| 57155 | T | Insert uteri tandems/ovoids | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57160 | T | Insert pessary/other device | 0188 | 1.12 | $58.25 | $11.95 | $11.65 |
| 57170 | T | Fitting of diaphragm/cap | 0191 | 0.22 | $11.44 | $3.32 | $2.29 |
| 57180 | T | Treat vaginal bleeding | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57200 | T | Repair of vagina | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57210 | T | Repair vagina/perineum | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57220 | T | Revision of urethra | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57230 | T | Repair of urethral lesion | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57240 | T | Repair bladder & vagina | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57250 | T | Repair rectum & vagina | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57260 | T | Repair of vagina | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57265 | T | Extensive repair of vagina | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57268 | T | Repair of bowel bulge | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57270 | C | Repair of bowel pouch | | | | | |
| 57280 | C | Suspension of vagina | | | | | |
| 57282 | C | Repair of vaginal prolapse | | | | | |
| 57284 | T | Repair paravaginal defect | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57287 | T | Revise/remove sling repair | 0202 | 39.09 | $2,033.03 | $996.18 | $406.61 |
| 57288 | T | Repair bladder defect | 0202 | 39.09 | $2,033.03 | $996.18 | $406.61 |
| 57289 | T | Repair bladder & vagina | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57291 | T | Construction of vagina | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57292 | C | Construct vagina with graft | | | | | |
| 57300 | T | Repair rectum-vagina fistula | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57305 | C | Repair rectum-vagina fistula | | | | | |
| 57307 | C | Fistula repair & colostomy | | | | | |
| 57308 | C | Fistula repair, transperine | | | | | |
| 57310 | T | Repair urethrovaginal lesion | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57311 | C | Repair urethrovaginal lesion | | | | | |
| 57320 | T | Repair bladder-vagina lesion | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57330 | T | Repair bladder-vagina lesion | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57335 | C | Repair vagina | | | | | |
| 57400 | T | Dilation of vagina | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57410 | T | Pelvic examination | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57415 | T | Remove vaginal foreign body | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57452 | T | Examination of vagina | 0189 | 1.63 | $84.77 | $18.60 | $16.95 |
| 57454 | T | Vagina examination & biopsy | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57460 | T | Cervix excision | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 57500 | T | Biopsy of cervix | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57505 | T | Endocervical curettage | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57510 | T | Cauterization of cervix | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 57511 | T | Cryocautery of cervix | 0189 | 1.63 | $84.77 | $18.60 | $16.95 |
| 57513 | T | Laser surgery of cervix | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 57520 | T | Conization of cervix | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57522 | T | Conization of cervix | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57530 | T | Removal of cervix | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57531 | C | Removal of cervix, radical | | | | | |
| 57540 | C | Removal of residual cervix | | | | | |
| 57545 | C | Remove cervix/repair pelvis | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 57550 | T | Removal of residual cervix | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57555 | T | Remove cervix/repair vagina | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57556 | T | Remove cervix, repair bowel | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 57700 | T | Revision of cervix | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57720 | T | Revision of cervix | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 57800 | T | Dilation of cervical canal | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 57820 | T | D & c of residual cervix | 0196 | 16.32 | $848.79 | $338.23 | $169.76 |
| 58100 | T | Biopsy of uterus lining | 0188 | 1.12 | $58.25 | $11.95 | $11.65 |
| 58120 | T | Dilation and curettage | 0196 | 16.32 | $848.79 | $338.23 | $169.76 |
| 58140 | C | Removal of uterus lesion | | | | | |
| 58145 | T | Removal of uterus lesion | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 58150 | C | Total hysterectomy | | | | | |
| 58152 | C | Total hysterectomy | | | | | |
| 58180 | C | Partial hysterectomy | | | | | |
| 58200 | C | Extensive hysterectomy | | | | | |
| 58210 | C | Extensive hysterectomy | | | | | |
| 58240 | C | Removal of pelvis contents | | | | | |
| 58260 | C | Vaginal hysterectomy | | | | | |
| 58262 | C | Vaginal hysterectomy | | | | | |
| 58263 | C | Vaginal hysterectomy | | | | | |
| 58267 | C | Hysterectomy & vagina repair | | | | | |
| 58270 | C | Hysterectomy & vagina repair | | | | | |
| 58275 | C | Hysterectomy/revise vagina | | | | | |
| 58280 | C | Hysterectomy/revise vagina | | | | | |
| 58285 | C | Extensive hysterectomy | | | | | |
| 58300 | E | Insert intrauterine device | | | | | |
| 58301 | T | Remove intrauterine device | 0189 | 1.63 | $84.77 | $18.60 | $16.95 |
| 58321 | T | Artificial insemination | 0197 | 1.19 | $61.89 | $24.76 | $12.38 |
| 58322 | T | Artificial insemination | 0197 | 1.19 | $61.89 | $24.76 | $12.38 |
| 58323 | T | Sperm washing | 0197 | 1.19 | $61.89 | $24.76 | $12.38 |
| 58340 | N | Catheter for hysterography | | | | | |
| 58345 | T | Reopen fallopian tube | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 58346 | T | Insert heyman uteri capsule | 0192 | 2.94 | $152.91 | $42.81 | $30.58 |
| 58350 | T | Reopen fallopian tube | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 58353 | T | Endometr ablate, thermal | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 58400 | C | Suspension of uterus | | | | | |
| 58410 | C | Suspension of uterus | | | | | |
| 58520 | C | Repair of ruptured uterus | | | | | |
| 58540 | C | Revision of uterus | | | | | |
| 58550 | T | Laparo-asst vag hysterectomy | 0132 | 57.95 | $3,013.92 | $1,239.22 | $602.78 |
| 58551 | T | Laparoscopy, remove myoma | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58555 | T | Hysteroscopy, dx, sep proc | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 58558 | T | Hysteroscopy, biopsy | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58559 | T | Hysteroscopy, lysis | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58560 | T | Hysteroscopy, resect septum | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58561 | T | Hysteroscopy, remove myoma | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58562 | T | Hysteroscopy, remove fb | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58563 | T | Hysteroscopy, ablation | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58578 | T | Laparo proc, uterus | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58579 | T | Hysteroscope procedure | 0190 | 20.06 | $1,043.30 | $424.28 | $208.66 |
| 58600 | T | Division of fallopian tube | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 58605 | C | Division of fallopian tube | | | | | |
| 58611 | C | Ligate oviduct(s) add-on | | | | | |
| 58615 | T | Occlude fallopian tube(s) | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 58660 | T | Laparoscopy, lysis | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58661 | T | Laparoscopy, remove adnexa | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58662 | T | Laparoscopy, excise lesions | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58670 | T | Laparoscopy, tubal cautery | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58671 | T | Laparoscopy, tubal block | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58672 | T | Laparoscopy, fimbrioplasty | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58673 | T | Laparoscopy, salpingostomy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 58679 | T | Laparo proc, oviduct-ovary | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 58700 | C | Removal of fallopian tube | | | | | |
| 58720 | C | Removal of ovary/tube(s) | | | | | |
| 58740 | C | Revise fallopian tube(s) | | | | | |
| 58750 | C | Repair oviduct | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 58752 | C | Revise ovarian tube(s) | | | | | |
| 58760 | C | Remove tubal obstruction | | | | | |
| 58770 | C | Create new tubal opening | | | | | |
| 58800 | T | Drainage of ovarian cyst(s) | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 58805 | C | Drainage of ovarian cyst(s) | | | | | |
| 58820 | T | Drain ovary abscess, open | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 58822 | C | Drain ovary abscess, percut | | | | | |
| 58823 | T | Drain pelvic abscess, percut | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 58825 | C | Transposition, ovary(s) | | | | | |
| 58900 | T | Biopsy of ovary(s) | 0195 | 24.37 | $1,267.46 | $483.80 | $253.49 |
| 58920 | T | Partial removal of ovary(s) | 0202 | 39.09 | $2,033.03 | $996.18 | $406.61 |
| 58925 | T | Removal of ovarian cyst(s) | 0202 | 39.09 | $2,033.03 | $996.18 | $406.61 |
| 58940 | C | Removal of ovary(s) | | | | | |
| 58943 | C | Removal of ovary(s) | | | | | |
| 58950 | C | Resect ovarian malignancy | | | | | |
| 58951 | C | Resect ovarian malignancy | | | | | |
| 58952 | C | Resect ovarian malignancy | | | | | |
| 58953 | C | Tah, rad dissect for debulk | | | | | |
| 58954 | C | Tah rad debulk/lymph remove | | | | | |
| 58960 | C | Exploration of abdomen | | | | | |
| 58970 | T | Retrieval of oocyte | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 58974 | T | Transfer of embryo | 0197 | 1.19 | $61.89 | $24.76 | $12.38 |
| 58976 | T | Transfer of embryo | 0197 | 1.19 | $61.89 | $24.76 | $12.38 |
| 58999 | T | Genital surgery procedure | 0191 | 0.22 | $11.44 | $3.32 | $2.29 |
| 59000 | T | Amniocentesis, diagnostic | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59001 | T | Amniocentesis, therapeutic | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59012 | T | Fetal cord puncture,prenatal | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59015 | T | Chorion biopsy | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59020 | T | Fetal contract stress test | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59025 | T | Fetal non-stress test | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59030 | T | Fetal scalp blood sample | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59050 | E | Fetal monitor w/report | | | | | |
| 59051 | E | Fetal monitor/interpret only | | | | | |
| 59100 | C | Remove uterus lesion | | | | | |
| 59120 | C | Treat ectopic pregnancy | | | | | |
| 59121 | C | Treat ectopic pregnancy | | | | | |
| 59130 | C | Treat ectopic pregnancy | | | | | |
| 59135 | C | Treat ectopic pregnancy | | | | | |
| 59136 | C | Treat ectopic pregnancy | | | | | |
| 59140 | C | Treat ectopic pregnancy | | | | | |
| 59150 | T | Treat ectopic pregnancy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 59151 | T | Treat ectopic pregnancy | 0131 | 42.44 | $2,207.26 | $1,001.89 | $441.45 |
| 59160 | T | D & c after delivery | 0196 | 16.32 | $848.79 | $338.23 | $169.76 |
| 59200 | T | Insert cervical dilator | 0189 | 1.63 | $84.77 | $18.60 | $16.95 |
| 59300 | T | Episiotomy or vaginal repair | 0193 | 14.57 | $757.77 | $171.13 | $151.55 |
| 59320 | T | Revision of cervix | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 59325 | C | Revision of cervix | | | | | |
| 59350 | C | Repair of uterus | | | | | |
| 59400 | E | Obstetrical care | | | | | |
| 59409 | T | Obstetrical care | 0199 | 5.69 | $295.93 | $72.98 | $59.19 |
| 59410 | E | Obstetrical care | | | | | |
| 59412 | T | Antepartum manipulation | 0199 | 5.69 | $295.93 | $72.98 | $59.19 |
| 59414 | T | Deliver placenta | 0199 | 5.69 | $295.93 | $72.98 | $59.19 |
| 59425 | E | Antepartum care only | | | | | |
| 59426 | E | Antepartum care only | | | | | |
| 59430 | E | Care after delivery | | | | | |
| 59510 | E | Cesarean delivery | | | | | |
| 59514 | C | Cesarean delivery only | | | | | |
| 59515 | E | Cesarean delivery | | | | | |
| 59525 | C | Remove uterus after cesarean | | | | | |
| 59610 | E | Vbac delivery | | | | | |
| 59612 | T | Vbac delivery only | 0199 | 5.69 | $295.93 | $72.98 | $59.19 |
| 59614 | E | Vbac care after delivery | | | | | |
| 59618 | E | Attempted vbac delivery | | | | | |
| 59620 | C | Attempted vbac delivery only | | | | | |
| 59622 | E | Attempted vbac after care | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 59812 | T | Treatment of miscarriage | 0201 | 15.84 | $823.82 | $329.65 | $164.76 |
| 59820 | T | Care of miscarriage | 0201 | 15.84 | $823.82 | $329.65 | $164.76 |
| 59821 | T | Treatment of miscarriage | 0201 | 15.84 | $823.82 | $329.65 | $164.76 |
| 59830 | C | Treat uterus infection | | | | | |
| 59840 | T | Abortion | 0200 | 14.49 | $753.61 | $307.83 | $150.72 |
| 59841 | T | Abortion | 0200 | 14.49 | $753.61 | $307.83 | $150.72 |
| 59850 | C | Abortion | | | | | |
| 59851 | C | Abortion | | | | | |
| 59852 | C | Abortion | | | | | |
| 59855 | C | Abortion | | | | | |
| 59856 | C | Abortion | | | | | |
| 59857 | C | Abortion | | | | | |
| 59866 | T | Abortion (mpr) | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 59870 | T | Evacuate mole of uterus | 0201 | 15.84 | $823.82 | $329.65 | $164.76 |
| 59871 | T | Remove cerclage suture | 0194 | 18.88 | $981.93 | $397.84 | $196.39 |
| 59898 | T | Laparo proc, ob care/deliver | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 59899 | T | Maternity care procedure | 0198 | 1.33 | $69.17 | $32.92 | $13.83 |
| 60000 | T | Drain thyroid/tongue cyst | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 60001 | T | Aspirate/inject thyriod cyst | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 60100 | T | Biopsy of thyroid | 0004 | 1.63 | $84.77 | $22.04 | $16.95 |
| 60200 | T | Remove thyroid lesion | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60210 | T | Partial thyroid excision | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60212 | T | Parital thyroid excision | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60220 | T | Partial removal of thyroid | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60225 | T | Partial removal of thyroid | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60240 | T | Removal of thyroid | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60252 | T | Removal of thyroid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 60254 | C | Extensive thyroid surgery | | | | | |
| 60260 | T | Repeat thyroid surgery | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 60270 | C | Removal of thyroid | | | | | |
| 60271 | C | Removal of thyroid | | | | | |
| 60280 | T | Remove thyroid duct lesion | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60281 | T | Remove thyroid duct lesion | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 60500 | T | Explore parathyroid glands | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 60502 | C | Re-explore parathyroids | | | | | |
| 60505 | C | Explore parathyroid glands | | | | | |
| 60512 | T | Autotransplant parathyroid | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 60520 | C | Removal of thymus gland | | | | | |
| 60521 | C | Removal of thymus gland | | | | | |
| 60522 | C | Removal of thymus gland | | | | | |
| 60540 | C | Explore adrenal gland | | | | | |
| 60545 | C | Explore adrenal gland | | | | | |
| 60600 | C | Remove carotid body lesion | | | | | |
| 60605 | C | Remove carotid body lesion | | | | | |
| 60650 | C | Laparoscopy adrenalectomy | | | | | |
| 60659 | T | Laparo proc, endocrine | 0130 | 31.99 | $1,663.77 | $659.53 | $332.75 |
| 60699 | T | Endocrine surgery procedure | 0114 | 37.55 | $1,952.94 | $507.76 | $390.59 |
| 61000 | T | Remove cranial cavity fluid | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 61001 | T | Remove cranial cavity fluid | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 61020 | T | Remove brain cavity fluid | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 61026 | T | Injection into brain canal | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 61050 | T | Remove brain canal fluid | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 61055 | T | Injection into brain canal | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 61070 | T | Brain canal shunt procedure | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 61105 | C | Twist drill hole | | | | | |
| 61107 | C | Drill skull for implantation | | | | | |
| 61108 | C | Drill skull for drainage | | | | | |
| 61120 | C | Burr hole for puncture | | | | | |
| 61140 | C | Pierce skull for biopsy | | | | | |
| 61150 | C | Pierce skull for drainage | | | | | |
| 61151 | C | Pierce skull for drainage | | | | | |
| 61154 | C | Pierce skull & remove clot | | | | | |
| 61156 | C | Pierce skull for drainage | | | | | |
| 61210 | C | Pierce skull, implant device | | | | | |
| 61215 | T | Insert brain-fluid device | 0224 | 39.14 | $2,035.63 | $453.41 | $407.13 |
| 61250 | C | Pierce skull & explore | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 61253 | C | Pierce skull & explore | | | | | |
| 61304 | C | Open skull for exploration | | | | | |
| 61305 | C | Open skull for exploration | | | | | |
| 61312 | C | Open skull for drainage | | | | | |
| 61313 | C | Open skull for drainage | | | | | |
| 61314 | C | Open skull for drainage | | | | | |
| 61315 | C | Open skull for drainage | | | | | |
| 61320 | C | Open skull for drainage | | | | | |
| 61321 | C | Open skull for drainage | | | | | |
| 61330 | T | Decompress eye socket | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 61332 | C | Explore/biopsy eye socket | | | | | |
| 61333 | C | Explore orbit/remove lesion | | | | | |
| 61334 | C | Explore orbit/remove object | | | | | |
| 61340 | C | Relieve cranial pressure | | | | | |
| 61343 | C | Incise skull (press relief) | | | | | |
| 61345 | C | Relieve cranial pressure | | | | | |
| 61440 | C | Incise skull for surgery | | | | | |
| 61450 | C | Incise skull for surgery | | | | | |
| 61458 | C | Incise skull for brain wound | | | | | |
| 61460 | C | Incise skull for surgery | | | | | |
| 61470 | C | Incise skull for surgery | | | | | |
| 61480 | C | Incise skull for surgery | | | | | |
| 61490 | C | Incise skull for surgery | | | | | |
| 61500 | C | Removal of skull lesion | | | | | |
| 61501 | C | Remove infected skull bone | | | | | |
| 61510 | C | Removal of brain lesion | | | | | |
| 61512 | C | Remove brain lining lesion | | | | | |
| 61514 | C | Removal of brain abscess | | | | | |
| 61516 | C | Removal of brain lesion | | | | | |
| 61518 | C | Removal of brain lesion | | | | | |
| 61519 | C | Remove brain lining lesion | | | | | |
| 61520 | C | Removal of brain lesion | | | | | |
| 61521 | C | Removal of brain lesion | | | | | |
| 61522 | C | Removal of brain abscess | | | | | |
| 61524 | C | Removal of brain lesion | | | | | |
| 61526 | C | Removal of brain lesion | | | | | |
| 61530 | C | Removal of brain lesion | | | | | |
| 61531 | C | Implant brain electrodes | | | | | |
| 61533 | C | Implant brain electrodes | | | | | |
| 61534 | C | Removal of brain lesion | | | | | |
| 61535 | C | Remove brain electrodes | | | | | |
| 61536 | C | Removal of brain lesion | | | | | |
| 61538 | C | Removal of brain tissue | | | | | |
| 61539 | C | Removal of brain tissue | | | | | |
| 61541 | C | Incision of brain tissue | | | | | |
| 61542 | C | Removal of brain tissue | | | | | |
| 61543 | C | Removal of brain tissue | | | | | |
| 61544 | C | Remove & treat brain lesion | | | | | |
| 61545 | C | Excision of brain tumor | | | | | |
| 61546 | C | Removal of pituitary gland | | | | | |
| 61548 | C | Removal of pituitary gland | | | | | |
| 61550 | C | Release of skull seams | | | | | |
| 61552 | C | Release of skull seams | | | | | |
| 61556 | C | Incise skull/sutures | | | | | |
| 61557 | C | Incise skull/sutures | | | | | |
| 61558 | C | Excision of skull/sutures | | | | | |
| 61559 | C | Excision of skull/sutures | | | | | |
| 61563 | C | Excision of skull tumor | | | | | |
| 61564 | C | Excision of skull tumor | | | | | |
| 61570 | C | Remove foreign body, brain | | | | | |
| 61571 | C | Incise skull for brain wound | | | | | |
| 61575 | C | Skull base/brainstem surgery | | | | | |
| 61576 | C | Skull base/brainstem surgery | | | | | |
| 61580 | C | Craniofacial approach, skull | | | | | |
| 61581 | C | Craniofacial approach, skull | | | | | |
| 61582 | C | Craniofacial approach, skull | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 61583 | C | Craniofacial approach, skull | | | | | |
| 61584 | C | Orbitocranial approach/skull | | | | | |
| 61585 | C | Orbitocranial approach/skull | | | | | |
| 61586 | C | Resect nasopharynx, skull | | | | | |
| 61590 | C | Infratemporal approach/skull | | | | | |
| 61591 | C | Infratemporal approach/skull | | | | | |
| 61592 | C | Orbitocranial approach/skull | | | | | |
| 61595 | C | Transtemporal approach/skull | | | | | |
| 61596 | C | Transcochlear approach/skull | | | | | |
| 61597 | C | Transcondylar approach/skull | | | | | |
| 61598 | C | Transpetrosal approach/skull | | | | | |
| 61600 | C | Resect/excise cranial lesion | | | | | |
| 61601 | C | Resect/excise cranial lesion | | | | | |
| 61605 | C | Resect/excise cranial lesion | | | | | |
| 61606 | C | Resect/excise cranial lesion | | | | | |
| 61607 | C | Resect/excise cranial lesion | | | | | |
| 61608 | C | Resect/excise cranial lesion | | | | | |
| 61609 | C | Transect artery, sinus | | | | | |
| 61610 | C | Transect artery, sinus | | | | | |
| 61611 | C | Transect artery, sinus | | | | | |
| 61612 | C | Transect artery, sinus | | | | | |
| 61613 | C | Remove aneurysm, sinus | | | | | |
| 61615 | C | Resect/excise lesion, skull | | | | | |
| 61616 | C | Resect/excise lesion, skull | | | | | |
| 61618 | C | Repair dura | | | | | |
| 61619 | C | Repair dura | | | | | |
| 61624 | C | Occlusion/embolization cath | | | | | |
| 61626 | T | Occlusion/embolization cath | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 61680 | C | Intracranial vessel surgery | | | | | |
| 61682 | C | Intracranial vessel surgery | | | | | |
| 61684 | C | Intracranial vessel surgery | | | | | |
| 61686 | C | Intracranial vessel surgery | | | | | |
| 61690 | C | Intracranial vessel surgery | | | | | |
| 61692 | C | Intracranial vessel surgery | | | | | |
| 61697 | C | Brain aneurysm repr, complx | | | | | |
| 61698 | C | Brain aneurysm repr, complx | | | | | |
| 61700 | C | Brain aneurysm repr , simple | | | | | |
| 61702 | C | Inner skull vessel surgery | | | | | |
| 61703 | C | Clamp neck artery | | | | | |
| 61705 | C | Revise circulation to head | | | | | |
| 61708 | C | Revise circulation to head | | | | | |
| 61710 | C | Revise circulation to head | | | | | |
| 61711 | C | Fusion of skull arteries | | | | | |
| 61720 | C | Incise skull/brain surgery | | | | | |
| 61735 | C | Incise skull/brain surgery | | | | | |
| 61750 | C | Incise skull/brain biopsy | | | | | |
| 61751 | C | Brain biopsy w/ ct/mr guide | | | | | |
| 61760 | C | Implant brain electrodes | | | | | |
| 61770 | C | Incise skull for treatment | | | | | |
| 61790 | T | Treat trigeminal nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 61791 | T | Treat trigeminal tract | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 61793 | E | Focus radiation beam | | | | | |
| 61795 | S | Brain surgery using computer | 0302 | 10.17 | $528.93 | $200.99 | $105.79 |
| 61850 | C | Implant neuroelectrodes | | | | | |
| 61860 | C | Implant neuroelectrodes | | | | | |
| 61862 | C | Implant neurostimul, subcort | | | | | |
| 61870 | C | Implant neuroelectrodes | | | | | |
| 61875 | C | Implant neuroelectrodes | | | | | |
| 61880 | T | Revise/remove neuroelectrode | 0687 | 19.50 | $1,014.18 | $466.52 | $202.84 |
| 61885 | T | Implant neurostim one array | 0222 | 140.56 | $7,310.39 | | $1,462.08 |
| 61886 | T | Implant neurostim arrays | 0222 | 140.56 | $7,310.39 | | $1,462.08 |
| 61888 | T | Revise/remove neuroreceiver | 0688 | 30.58 | $1,590.44 | $779.32 | $318.09 |
| 62000 | C | Treat skull fracture | | | | | |
| 62005 | C | Treat skull fracture | | | | | |
| 62010 | C | Treatment of head injury | | | | | |
| 62100 | C | Repair brain fluid leakage | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 62115 | C | Reduction of skull defect | | | | | |
| 62116 | C | Reduction of skull defect | | | | | |
| 62117 | C | Reduction of skull defect | | | | | |
| 62120 | C | Repair skull cavity lesion | | | | | |
| 62121 | C | Incise skull repair | | | | | |
| 62140 | C | Repair of skull defect | | | | | |
| 62141 | C | Repair of skull defect | | | | | |
| 62142 | C | Remove skull plate/flap | | | | | |
| 62143 | C | Replace skull plate/flap | | | | | |
| 62145 | C | Repair of skull & brain | | | | | |
| 62146 | C | Repair of skull with graft | | | | | |
| 62147 | C | Repair of skull with graft | | | | | |
| 62180 | C | Establish brain cavity shunt | | | | | |
| 62190 | C | Establish brain cavity shunt | | | | | |
| 62192 | C | Establish brain cavity shunt | | | | | |
| 62194 | T | Replace/irrigate catheter | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 62200 | C | Establish brain cavity shunt | | | | | |
| 62201 | C | Establish brain cavity shunt | | | | | |
| 62220 | C | Establish brain cavity shunt | | | | | |
| 62223 | C | Establish brain cavity shunt | | | | | |
| 62225 | T | Replace/irrigate catheter | 0121 | 2.17 | $112.86 | $45.14 | $22.57 |
| 62230 | T | Replace/revise brain shunt | 0224 | 39.14 | $2,035.63 | $453.41 | $407.13 |
| 62252 | S | Csf shunt reprogram | 0691 | 3.14 | $163.31 | $89.02 | $32.66 |
| 62256 | C | Remove brain cavity shunt | | | | | |
| 62258 | C | Replace brain cavity shunt | | | | | |
| 62263 | T | Lysis epidural adhesions | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 62268 | T | Drain spinal cord cyst | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 62269 | T | Needle biopsy, spinal cord | 0005 | 3.02 | $157.07 | $69.11 | $31.41 |
| 62270 | T | Spinal fluid tap, diagnostic | 0206 | 4.89 | $254.32 | $75.55 | $50.86 |
| 62272 | T | Drain cerebro spinal fluid | 0206 | 4.89 | $254.32 | $75.55 | $50.86 |
| 62273 | T | Treat epidural spine lesion | 0206 | 4.89 | $254.32 | $75.55 | $50.86 |
| 62280 | T | Treat spinal cord lesion | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 62281 | T | Treat spinal cord lesion | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 62282 | T | Treat spinal canal lesion | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 62284 | N | Injection for myelogram | | | | | |
| 62287 | T | Percutaneous diskectomy | 0220 | 16.66 | $866.47 | | $173.29 |
| 62290 | N | Inject for spine disk x-ray | | | | | |
| 62291 | N | Inject for spine disk x-ray | | | | | |
| 62292 | T | Injection into disk lesion | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 62294 | T | Injection into spinal artery | 0212 | 3.53 | $183.59 | $84.45 | $36.72 |
| 62310 | T | Inject spine c/t | 0206 | 4.89 | $254.32 | $75.55 | $50.86 |
| 62311 | T | Inject spine l/s (cd) | 0206 | 4.89 | $254.32 | $75.55 | $50.86 |
| 62318 | T | Inject spine w/cath, c/t | 0206 | 4.89 | $254.32 | $75.55 | $50.86 |
| 62319 | T | Inject spine w/cath l/s (cd) | 0206 | 4.89 | $254.32 | $75.55 | $50.86 |
| 62350 | T | Implant spinal canal cath | 0223 | 20.30 | $1,055.78 | | $211.16 |
| 62351 | T | Implant spinal canal cath | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 62355 | T | Remove spinal canal catheter | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 62360 | T | Insert spine infusion device | 0226 | 44.20 | $2,298.80 | | $459.76 |
| 62361 | T | Implant spine infusion pump | 0227 | 128.03 | $6,658.71 | | $1,331.74 |
| 62362 | T | Implant spine infusion pump | 0227 | 128.03 | $6,658.71 | | $1,331.74 |
| 62365 | T | Remove spine infusion device | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 62367 | S | Analyze spine infusion pump | 0691 | 3.14 | $163.31 | $89.02 | $32.66 |
| 62368 | S | Analyze spine infusion pump | 0691 | 3.14 | $163.31 | $89.02 | $32.66 |
| 63001 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63003 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63005 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63011 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63012 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63015 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63016 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63017 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63020 | T | Neck spine disk surgery | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63030 | T | Low back disk surgery | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63035 | T | Spinal disk surgery add-on | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63040 | T | Laminotomy, single cervical | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63042 | T | Laminotomy, single lumbar | 0208 | 39.95 | $2,077.76 | | $415.55 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 63043 | C | Laminotomy, addl cervical | | | | | |
| 63044 | C | Laminotomy, addl lumbar | | | | | |
| 63045 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63046 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63047 | T | Removal of spinal lamina | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63048 | T | Remove spinal lamina add-on | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63055 | T | Decompress spinal cord | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63056 | T | Decompress spinal cord | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63057 | T | Decompress spine cord add-on | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63064 | T | Decompress spinal cord | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63066 | T | Decompress spine cord add-on | 0208 | 39.95 | $2,077.76 | | $415.55 |
| 63075 | C | Neck spine disk surgery | | | | | |
| 63076 | C | Neck spine disk surgery | | | | | |
| 63077 | C | Spine disk surgery, thorax | | | | | |
| 63078 | C | Spine disk surgery, thorax | | | | | |
| 63081 | C | Removal of vertebral body | | | | | |
| 63082 | C | Remove vertebral body add-on | | | | | |
| 63085 | C | Removal of vertebral body | | | | | |
| 63086 | C | Remove vertebral body add-on | | | | | |
| 63087 | C | Removal of vertebral body | | | | | |
| 63088 | C | Remove vertebral body add-on | | | | | |
| 63090 | C | Removal of vertebral body | | | | | |
| 63091 | C | Remove vertebral body add-on | | | | | |
| 63170 | C | Incise spinal cord tract(s) | | | | | |
| 63172 | C | Drainage of spinal cyst | | | | | |
| 63173 | C | Drainage of spinal cyst | | | | | |
| 63180 | C | Revise spinal cord ligaments | | | | | |
| 63182 | C | Revise spinal cord ligaments | | | | | |
| 63185 | C | Incise spinal column/nerves | | | | | |
| 63190 | C | Incise spinal column/nerves | | | | | |
| 63191 | C | Incise spinal column/nerves | | | | | |
| 63194 | C | Incise spinal column & cord | | | | | |
| 63195 | C | Incise spinal column & cord | | | | | |
| 63196 | C | Incise spinal column & cord | | | | | |
| 63197 | C | Incise spinal column & cord | | | | | |
| 63198 | C | Incise spinal column & cord | | | | | |
| 63199 | C | Incise spinal column & cord | | | | | |
| 63200 | C | Release of spinal cord | | | | | |
| 63250 | C | Revise spinal cord vessels | | | | | |
| 63251 | C | Revise spinal cord vessels | | | | | |
| 63252 | C | Revise spinal cord vessels | | | | | |
| 63265 | C | Excise intraspinal lesion | | | | | |
| 63266 | C | Excise intraspinal lesion | | | | | |
| 63267 | C | Excise intraspinal lesion | | | | | |
| 63268 | C | Excise intraspinal lesion | | | | | |
| 63270 | C | Excise intraspinal lesion | | | | | |
| 63271 | C | Excise intraspinal lesion | | | | | |
| 63272 | C | Excise intraspinal lesion | | | | | |
| 63273 | C | Excise intraspinal lesion | | | | | |
| 63275 | C | Biopsy/excise spinal tumor | | | | | |
| 63276 | C | Biopsy/excise spinal tumor | | | | | |
| 63277 | C | Biopsy/excise spinal tumor | | | | | |
| 63278 | C | Biopsy/excise spinal tumor | | | | | |
| 63280 | C | Biopsy/excise spinal tumor | | | | | |
| 63281 | C | Biopsy/excise spinal tumor | | | | | |
| 63282 | C | Biopsy/excise spinal tumor | | | | | |
| 63283 | C | Biopsy/excise spinal tumor | | | | | |
| 63285 | C | Biopsy/excise spinal tumor | | | | | |
| 63286 | C | Biopsy/excise spinal tumor | | | | | |
| 63287 | C | Biopsy/excise spinal tumor | | | | | |
| 63290 | C | Biopsy/excise spinal tumor | | | | | |
| 63300 | C | Removal of vertebral body | | | | | |
| 63301 | C | Removal of vertebral body | | | | | |
| 63302 | C | Removal of vertebral body | | | | | |
| 63303 | C | Removal of vertebral body | | | | | |
| 63304 | C | Removal of vertebral body | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 63305 | C | Removal of vertebral body | | | | | |
| 63306 | C | Removal of vertebral body | | | | | |
| 63307 | C | Removal of vertebral body | | | | | |
| 63308 | C | Remove vertebral body add-on | | | | | |
| 63600 | T | Remove spinal cord lesion | 0220 | 16.66 | $866.47 | | $173.29 |
| 63610 | T | Stimulation of spinal cord | 0220 | 16.66 | $866.47 | | $173.29 |
| 63615 | T | Remove lesion of spinal cord | 0220 | 16.66 | $866.47 | | $173.29 |
| 63650 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 63655 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 63660 | T | Revise/remove neuroelectrode | 0687 | 19.50 | $1,014.18 | $466.52 | $202.84 |
| 63685 | T | Implant neuroreceiver | 0222 | 140.56 | $7,310.39 | | $1,462.08 |
| 63688 | T | Revise/remove neuroreceiver | 0688 | 30.58 | $1,590.44 | $779.32 | $318.09 |
| 63700 | C | Repair of spinal herniation | | | | | |
| 63702 | C | Repair of spinal herniation | | | | | |
| 63704 | C | Repair of spinal herniation | | | | | |
| 63706 | C | Repair of spinal herniation | | | | | |
| 63707 | C | Repair spinal fluid leakage | | | | | |
| 63709 | C | Repair spinal fluid leakage | | | | | |
| 63710 | C | Graft repair of spine defect | | | | | |
| 63740 | C | Install spinal shunt | | | | | |
| 63741 | T | Install spinal shunt | 0228 | 55.05 | $2,863.10 | $696.46 | $572.62 |
| 63744 | T | Revision of spinal shunt | 0228 | 55.05 | $2,863.10 | $696.46 | $572.62 |
| 63746 | T | Removal of spinal shunt | 0109 | 7.68 | $399.43 | $131.49 | $79.89 |
| 64400 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64402 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64405 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64408 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64410 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64412 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64413 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64415 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64417 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64418 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64420 | T | Injection for nerve block | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64421 | T | Injection for nerve block | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64425 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64430 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64435 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64445 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64450 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64470 | T | Inj paravertebral c/t | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64472 | T | Inj paravertebral c/t add-on | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64475 | T | Inj paravertebral l/s | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64476 | T | Inj paravertebral l/s add-on | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64479 | T | Inj foramen epidural c/t | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64480 | T | Inj foramen epidural add-on | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64483 | T | Inj foramen epidural l/s | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64484 | T | Inj foramen epidural add-on | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64505 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64508 | T | Injection for nerve block | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64510 | T | Injection for nerve block | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64520 | T | Injection for nerve block | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64530 | T | Injection for nerve block | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64550 | A | Apply neurostimulator | | | | | |
| 64553 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64555 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64560 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64561 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64565 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64573 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64575 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64577 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64580 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64581 | T | Implant neuroelectrodes | 0225 | 44.47 | $2,312.84 | | $462.57 |
| 64585 | T | Revise/remove neuroelectrode | 0687 | 19.50 | $1,014.18 | $466.52 | $202.84 |
| 64590 | T | Implant neuroreceiver | 0222 | 140.56 | $7,310.39 | | $1,462.08 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 64595 | T | Revise/remove neuroreceiver | 0688 | 30.58 | $1,590.44 | $779.32 | $318.09 |
| 64600 | T | Injection treatment of nerve | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64605 | T | Injection treatment of nerve | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64610 | T | Injection treatment of nerve | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64612 | T | Destroy nerve, face muscle | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64613 | T | Destroy nerve, spine muscle | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64614 | T | Destroy nerve, extrem musc | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 64620 | T | Injection treatment of nerve | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64622 | T | Destr paravertebrl nerve l/s | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64623 | T | Destr paravertebral n add-on | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64626 | T | Destr paravertebrl nerve c/t | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64627 | T | Destr paravertebral n add-on | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64630 | T | Injection treatment of nerve | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64640 | T | Injection treatment of nerve | 0207 | 5.97 | $310.49 | $123.69 | $62.10 |
| 64680 | T | Injection treatment of nerve | 0203 | 10.96 | $570.02 | $256.51 | $114.00 |
| 64702 | T | Revise finger/toe nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64704 | T | Revise hand/foot nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64708 | T | Revise arm/leg nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64712 | T | Revision of sciatic nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64713 | T | Revision of arm nerve(s) | 0220 | 16.66 | $866.47 | | $173.29 |
| 64714 | T | Revise low back nerve(s) | 0220 | 16.66 | $866.47 | | $173.29 |
| 64716 | T | Revision of cranial nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64718 | T | Revise ulnar nerve at elbow | 0220 | 16.66 | $866.47 | | $173.29 |
| 64719 | T | Revise ulnar nerve at wrist | 0220 | 16.66 | $866.47 | | $173.29 |
| 64721 | T | Carpal tunnel surgery | 0220 | 16.66 | $866.47 | | $173.29 |
| 64722 | T | Relieve pressure on nerve(s) | 0220 | 16.66 | $866.47 | | $173.29 |
| 64726 | T | Release foot/toe nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64727 | T | Internal nerve revision | 0220 | 16.66 | $866.47 | | $173.29 |
| 64732 | T | Incision of brow nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64734 | T | Incision of cheek nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64736 | T | Incision of chin nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64738 | T | Incision of jaw nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64740 | T | Incision of tongue nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64742 | T | Incision of facial nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64744 | T | Incise nerve, back of head | 0220 | 16.66 | $866.47 | | $173.29 |
| 64746 | T | Incise diaphragm nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64752 | C | Incision of vagus nerve | | | | | |
| 64755 | C | Incision of stomach nerves | | | | | |
| 64760 | C | Incision of vagus nerve | | | | | |
| 64761 | T | Incision of pelvis nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64763 | C | Incise hip/thigh nerve | | | | | |
| 64766 | C | Incise hip/thigh nerve | | | | | |
| 64771 | T | Sever cranial nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64772 | T | Incision of spinal nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64774 | T | Remove skin nerve lesion | 0220 | 16.66 | $866.47 | | $173.29 |
| 64776 | T | Remove digit nerve lesion | 0220 | 16.66 | $866.47 | | $173.29 |
| 64778 | T | Digit nerve surgery add-on | 0220 | 16.66 | $866.47 | | $173.29 |
| 64782 | T | Remove limb nerve lesion | 0220 | 16.66 | $866.47 | | $173.29 |
| 64783 | T | Limb nerve surgery add-on | 0220 | 16.66 | $866.47 | | $173.29 |
| 64784 | T | Remove nerve lesion | 0220 | 16.66 | $866.47 | | $173.29 |
| 64786 | T | Remove sciatic nerve lesion | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64787 | T | Implant nerve end | 0220 | 16.66 | $866.47 | | $173.29 |
| 64788 | T | Remove skin nerve lesion | 0220 | 16.66 | $866.47 | | $173.29 |
| 64790 | T | Removal of nerve lesion | 0220 | 16.66 | $866.47 | | $173.29 |
| 64792 | T | Removal of nerve lesion | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64795 | T | Biopsy of nerve | 0220 | 16.66 | $866.47 | | $173.29 |
| 64802 | T | Remove sympathetic nerves | 0220 | 16.66 | $866.47 | | $173.29 |
| 64804 | C | Remove sympathetic nerves | | | | | |
| 64809 | C | Remove sympathetic nerves | | | | | |
| 64818 | C | Remove sympathetic nerves | | | | | |
| 64820 | T | Remove sympathetic nerves | 0220 | 16.66 | $866.47 | | $173.29 |
| 64821 | T | Remove sympathetic nerves | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 64822 | T | Remove sympathetic nerves | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 64823 | T | Remove sympathetic nerves | 0054 | 23.50 | $1,222.21 | $472.33 | $244.44 |
| 64831 | T | Repair of digit nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64832 | T | Repair nerve add-on | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 64834 | T | Repair of hand or foot nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64835 | T | Repair of hand or foot nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64836 | T | Repair of hand or foot nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64837 | T | Repair nerve add-on | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64840 | T | Repair of leg nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64856 | T | Repair/transpose nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64857 | T | Repair arm/leg nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64858 | T | Repair sciatic nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64859 | T | Nerve surgery | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64861 | T | Repair of arm nerves | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64862 | T | Repair of low back nerves | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64864 | T | Repair of facial nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64865 | T | Repair of facial nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64866 | C | Fusion of facial/other nerve | | | | | |
| 64868 | C | Fusion of facial/other nerve | | | | | |
| 64870 | T | Fusion of facial/other nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64872 | T | Subsequent repair of nerve | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64874 | T | Repair & revise nerve add-on | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64876 | T | Repair nerve/shorten bone | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64885 | T | Nerve graft, head or neck | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64886 | T | Nerve graft, head or neck | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64890 | T | Nerve graft, hand or foot | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64891 | T | Nerve graft, hand or foot | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64892 | T | Nerve graft, arm or leg | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64893 | T | Nerve graft, arm or leg | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64895 | T | Nerve graft, hand or foot | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64896 | T | Nerve graft, hand or foot | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64897 | T | Nerve graft, arm or leg | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64898 | T | Nerve graft, arm or leg | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64901 | T | Nerve graft add-on | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64902 | T | Nerve graft add-on | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64905 | T | Nerve pedicle transfer | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64907 | T | Nerve pedicle transfer | 0221 | 25.35 | $1,318.43 | $463.62 | $263.69 |
| 64999 | T | Nervous system surgery | 0204 | 2.13 | $110.78 | $42.10 | $22.16 |
| 65091 | T | Revise eye | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65093 | T | Revise eye with implant | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 65101 | T | Removal of eye | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65103 | T | Remove eye/insert implant | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65105 | T | Remove eye/attach implant | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65110 | T | Removal of eye | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65112 | T | Remove eye/revise socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65114 | T | Remove eye/revise socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65125 | T | Revise ocular implant | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 65130 | T | Insert ocular implant | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 65135 | T | Insert ocular implant | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 65140 | T | Attach ocular implant | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65150 | T | Revise ocular implant | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 65155 | T | Reinsert ocular implant | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 65175 | T | Removal of ocular implant | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 65205 | S | Remove foreign body from eye | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 65210 | S | Remove foreign body from eye | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 65220 | S | Remove foreign body from eye | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 65222 | S | Remove foreign body from eye | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 65235 | T | Remove foreign body from eye | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65260 | T | Remove foreign body from eye | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 65265 | T | Remove foreign body from eye | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 65270 | T | Repair of eye wound | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 65272 | T | Repair of eye wound | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65273 | C | Repair of eye wound | | | | | |
| 65275 | T | Repair of eye wound | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65280 | T | Repair of eye wound | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65285 | T | Repair of eye wound | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65286 | T | Repair of eye wound | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65290 | T | Repair of eye socket wound | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 65400 | T | Removal of eye lesion | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65410 | T | Biopsy of cornea | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 65420 | T | Removal of eye lesion | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65426 | T | Removal of eye lesion | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65430 | S | Corneal smear | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 65435 | T | Curette/treat cornea | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 65436 | T | Curette/treat cornea | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65450 | S | Treatment of corneal lesion | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 65600 | T | Revision of cornea | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 65710 | T | Corneal transplant | 0244 | 38.14 | $1,983.62 | $851.42 | $396.72 |
| 65730 | T | Corneal transplant | 0244 | 38.14 | $1,983.62 | $851.42 | $396.72 |
| 65750 | T | Corneal transplant | 0244 | 38.14 | $1,983.62 | $851.42 | $396.72 |
| 65755 | T | Corneal transplant | 0244 | 38.14 | $1,983.62 | $851.42 | $396.72 |
| 65760 | E | Revision of cornea | | | | | |
| 65765 | E | Revision of cornea | | | | | |
| 65767 | E | Corneal tissue transplant | | | | | |
| 65770 | T | Revise cornea with implant | 0244 | 38.14 | $1,983.62 | $851.42 | $396.72 |
| 65771 | E | Radial keratotomy | | | | | |
| 65772 | T | Correction of astigmatism | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65775 | T | Correction of astigmatism | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65800 | T | Drainage of eye | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65805 | T | Drainage of eye | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65810 | T | Drainage of eye | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65815 | T | Drainage of eye | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65820 | T | Relieve inner eye pressure | 0232 | 4.91 | $255.36 | $112.36 | $51.07 |
| 65850 | T | Incision of eye | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65855 | T | Laser surgery of eye | 0247 | 4.97 | $258.48 | $108.56 | $51.70 |
| 65860 | T | Incise inner eye adhesions | 0247 | 4.97 | $258.48 | $108.56 | $51.70 |
| 65865 | T | Incise inner eye adhesions | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65870 | T | Incise inner eye adhesions | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65875 | T | Incise inner eye adhesions | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 65880 | T | Incise inner eye adhesions | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65900 | T | Remove eye lesion | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65920 | T | Remove implant of eye | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 65930 | T | Remove blood clot from eye | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66020 | T | Injection treatment of eye | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66030 | T | Injection treatment of eye | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66130 | T | Remove eye lesion | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66150 | T | Glaucoma surgery | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66155 | T | Glaucoma surgery | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66160 | T | Glaucoma surgery | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66165 | T | Glaucoma surgery | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66170 | T | Glaucoma surgery | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66172 | T | Incision of eye | 0673 | 27.47 | $1,428.69 | $685.77 | $285.74 |
| 66180 | T | Implant eye shunt | 0673 | 27.47 | $1,428.69 | $685.77 | $285.74 |
| 66185 | T | Revise eye shunt | 0673 | 27.47 | $1,428.69 | $685.77 | $285.74 |
| 66220 | T | Repair eye lesion | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 66225 | T | Repair/graft eye lesion | 0673 | 27.47 | $1,428.69 | $685.77 | $285.74 |
| 66250 | T | Follow-up surgery of eye | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66500 | T | Incision of iris | 0232 | 4.91 | $255.36 | $112.36 | $51.07 |
| 66505 | T | Incision of iris | 0232 | 4.91 | $255.36 | $112.36 | $51.07 |
| 66600 | T | Remove iris and lesion | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66605 | T | Removal of iris | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66625 | T | Removal of iris | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66630 | T | Removal of iris | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66635 | T | Removal of iris | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66680 | T | Repair iris & ciliary body | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66682 | T | Repair iris & ciliary body | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 66700 | T | Destruction, ciliary body | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66710 | T | Destruction, ciliary body | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66720 | T | Destruction, ciliary body | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66740 | T | Destruction, ciliary body | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 66761 | T | Revision of iris | 0247 | 4.97 | $258.48 | $108.56 | $51.70 |
| 66762 | T | Revision of iris | 0247 | 4.97 | $258.48 | $108.56 | $51.70 |
| 66770 | T | Removal of inner eye lesion | 0247 | 4.97 | $258.48 | $108.56 | $51.70 |
| 66820 | T | Incision, secondary cataract | 0232 | 4.91 | $255.36 | $112.36 | $51.07 |
| 66821 | T | After cataract laser surgery | 0247 | 4.97 | $258.48 | $108.56 | $51.70 |
| 66825 | T | Reposition intraocular lens | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 66830 | T | Removal of lens lesion | 0232 | 4.91 | $255.36 | $112.36 | $51.07 |
| 66840 | T | Removal of lens material | 0245 | 14.39 | $748.41 | $251.21 | $149.68 |
| 66850 | T | Removal of lens material | 0249 | 27.75 | $1,443.25 | $524.67 | $288.65 |
| 66852 | T | Removal of lens material | 0249 | 27.75 | $1,443.25 | $524.67 | $288.65 |
| 66920 | T | Extraction of lens | 0249 | 27.75 | $1,443.25 | $524.67 | $288.65 |
| 66930 | T | Extraction of lens | 0249 | 27.75 | $1,443.25 | $524.67 | $288.65 |
| 66940 | T | Extraction of lens | 0245 | 14.39 | $748.41 | $251.21 | $149.68 |
| 66982 | T | Cataract surgery, complex | 0246 | 23.59 | $1,226.89 | $495.96 | $245.38 |
| 66983 | T | Cataract surg w/iol, 1 stage | 0246 | 23.59 | $1,226.89 | $495.96 | $245.38 |
| 66984 | T | Cataract surg w/iol, i stage | 0246 | 23.59 | $1,226.89 | $495.96 | $245.38 |
| 66985 | T | Insert lens prosthesis | 0246 | 23.59 | $1,226.89 | $495.96 | $245.38 |
| 66986 | T | Exchange lens prosthesis | 0246 | 23.59 | $1,226.89 | $495.96 | $245.38 |
| 66999 | T | Eye surgery procedure | 0232 | 4.91 | $255.36 | $112.36 | $51.07 |
| 67005 | T | Partial removal of eye fluid | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67010 | T | Partial removal of eye fluid | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67015 | T | Release of eye fluid | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67025 | T | Replace eye fluid | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 67027 | T | Implant eye drug system | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67028 | T | Injection eye drug | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67030 | T | Incise inner eye strands | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 67031 | T | Laser surgery, eye strands | 0247 | 4.97 | $258.48 | $108.56 | $51.70 |
| 67036 | T | Removal of inner eye fluid | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67038 | T | Strip retinal membrane | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67039 | T | Laser treatment of retina | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67040 | T | Laser treatment of retina | 0672 | 39.95 | $2,077.76 | $1,038.88 | $415.55 |
| 67101 | T | Repair detached retina | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67105 | T | Repair detached retina | 0248 | 4.44 | $230.92 | $96.99 | $46.18 |
| 67107 | T | Repair detached retina | 0672 | 39.95 | $2,077.76 | $1,038.88 | $415.55 |
| 67108 | T | Repair detached retina | 0672 | 39.95 | $2,077.76 | $1,038.88 | $415.55 |
| 67110 | T | Repair detached retina | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67112 | T | Rerepair detached retina | 0672 | 39.95 | $2,077.76 | $1,038.88 | $415.55 |
| 67115 | T | Release encircling material | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 67120 | T | Remove eye implant material | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 67121 | T | Remove eye implant material | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67141 | T | Treatment of retina | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67145 | T | Treatment of retina | 0248 | 4.44 | $230.92 | $96.99 | $46.18 |
| 67208 | T | Treatment of retinal lesion | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67210 | T | Treatment of retinal lesion | 0248 | 4.44 | $230.92 | $96.99 | $46.18 |
| 67218 | T | Treatment of retinal lesion | 0236 | 20.62 | $1,072.43 | | $214.49 |
| 67220 | T | Treatment of choroid lesion | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67221 | T | Ocular photodynamic ther | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67225 | T | Eye photodynamic ther add-on | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67227 | T | Treatment of retinal lesion | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67228 | T | Treatment of retinal lesion | 0248 | 4.44 | $230.92 | $96.99 | $46.18 |
| 67250 | T | Reinforce eye wall | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67255 | T | Reinforce/graft eye wall | 0237 | 35.09 | $1,825.00 | $818.54 | $365.00 |
| 67299 | T | Eye surgery procedure | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| 67311 | T | Revise eye muscle | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67312 | T | Revise two eye muscles | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67314 | T | Revise eye muscle | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67316 | T | Revise two eye muscles | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67318 | T | Revise eye muscle(s) | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67320 | T | Revise eye muscle(s) add-on | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67331 | T | Eye surgery follow-up add-on | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67332 | T | Rerevise eye muscles add-on | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67334 | T | Revise eye muscle w/suture | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67335 | T | Eye suture during surgery | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67340 | T | Revise eye muscle add-on | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67343 | T | Release eye tissue | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67345 | T | Destroy nerve of eye muscle | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 67350 | T | Biopsy eye muscle | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 67399 | T | Eye muscle surgery procedure | 0243 | 20.94 | $1,089.07 | $431.39 | $217.81 |
| 67400 | T | Explore/biopsy eye socket | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 67405 | T | Explore/drain eye socket | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 67412 | T | Explore/treat eye socket | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 67413 | T | Explore/treat eye socket | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 67414 | T | Explr/decompress eye socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67415 | T | Aspiration, orbital contents | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67420 | T | Explore/treat eye socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67430 | T | Explore/treat eye socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67440 | T | Explore/drain eye socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67445 | T | Explr/decompress eye socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67450 | T | Explore/biopsy eye socket | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67500 | S | Inject/treat eye socket | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 67505 | T | Inject/treat eye socket | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 67515 | T | Inject/treat eye socket | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67550 | T | Insert eye socket implant | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67560 | T | Revise eye socket implant | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 67570 | T | Decompress optic nerve | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 67599 | T | Orbit surgery procedure | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67700 | T | Drainage of eyelid abscess | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 67710 | T | Incision of eyelid | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67715 | T | Incision of eyelid fold | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67800 | T | Remove eyelid lesion | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 67801 | T | Remove eyelid lesions | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67805 | T | Remove eyelid lesions | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 67808 | T | Remove eyelid lesion(s) | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67810 | T | Biopsy of eyelid | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 67820 | S | Revise eyelashes | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 67825 | T | Revise eyelashes | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 67830 | T | Revise eyelashes | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67835 | T | Revise eyelashes | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67840 | T | Remove eyelid lesion | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67850 | T | Treat eyelid lesion | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67875 | T | Closure of eyelid by suture | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67880 | T | Revision of eyelid | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 67882 | T | Revision of eyelid | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67900 | T | Repair brow defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67901 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67902 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67903 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67904 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67906 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67908 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67909 | T | Revise eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67911 | T | Revise eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67914 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67915 | T | Repair eyelid defect | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67916 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67917 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67921 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67922 | T | Repair eyelid defect | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 67923 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67924 | T | Repair eyelid defect | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67930 | T | Repair eyelid wound | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67935 | T | Repair eyelid wound | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67938 | S | Remove eyelid foreign body | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 67950 | T | Revision of eyelid | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67961 | T | Revision of eyelid | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67966 | T | Revision of eyelid | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67971 | T | Reconstruction of eyelid | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 67973 | T | Reconstruction of eyelid | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 67974 | T | Reconstruction of eyelid | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 67975 | T | Reconstruction of eyelid | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 67999 | T | Revision of eyelid | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68020 | T | Incise/drain eyelid lining | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68040 | S | Treatment of eyelid lesions | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 68100 | T | Biopsy of eyelid lining | 0232 | 4.91 | $255.36 | $112.36 | $51.07 |
| 68110 | T | Remove eyelid lining lesion | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 68115 | T | Remove eyelid lining lesion | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 68130 | T | Remove eyelid lining lesion | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 68135 | T | Remove eyelid lining lesion | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 68200 | S | Treat eyelid by injection | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 68320 | T | Revise/graft eyelid lining | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68325 | T | Revise/graft eyelid lining | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 68326 | T | Revise/graft eyelid lining | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68328 | T | Revise/graft eyelid lining | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68330 | T | Revise eyelid lining | 0233 | 13.43 | $698.48 | $266.33 | $139.70 |
| 68335 | T | Revise/graft eyelid lining | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68340 | T | Separate eyelid adhesions | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68360 | T | Revise eyelid lining | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 68362 | T | Revise eyelid lining | 0234 | 21.45 | $1,115.59 | $535.48 | $223.12 |
| 68399 | T | Eyelid lining surgery | 0239 | 6.91 | $359.38 | $115.94 | $71.88 |
| 68400 | T | Incise/drain tear gland | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 68420 | T | Incise/drain tear sac | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68440 | T | Incise tear duct opening | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 68500 | T | Removal of tear gland | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68505 | T | Partial removal, tear gland | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68510 | T | Biopsy of tear gland | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68520 | T | Removal of tear sac | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68525 | T | Biopsy of tear sac | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68530 | T | Clearance of tear duct | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68540 | T | Remove tear gland lesion | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68550 | T | Remove tear gland lesion | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 68700 | T | Repair tear ducts | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68705 | T | Revise tear duct opening | 0238 | 3.04 | $158.11 | $58.96 | $31.62 |
| 68720 | T | Create tear sac drain | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 68745 | T | Create tear duct drain | 0241 | 21.89 | $1,138.48 | $384.47 | $227.70 |
| 68750 | T | Create tear duct drain | 0242 | 28.87 | $1,501.50 | $597.36 | $300.30 |
| 68760 | S | Close tear duct opening | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 68761 | S | Close tear duct opening | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 68770 | T | Close tear system fistula | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68801 | S | Dilate tear duct opening | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 68810 | T | Probe nasolacrimal duct | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 68811 | T | Probe nasolacrimal duct | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68815 | T | Probe nasolacrimal duct | 0240 | 16.99 | $883.63 | $315.31 | $176.73 |
| 68840 | T | Explore/irrigate tear ducts | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 68850 | N | Injection for tear sac x-ray | | | | | |
| 68899 | T | Tear duct system surgery | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 69000 | T | Drain external ear lesion | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 69005 | T | Drain external ear lesion | 0007 | 9.44 | $490.96 | $103.10 | $98.19 |
| 69020 | T | Drain outer ear canal lesion | 0006 | 1.89 | $98.30 | $25.56 | $19.66 |
| 69090 | E | Pierce earlobes | | | | | |
| 69100 | T | Biopsy of external ear | 0019 | 3.94 | $204.92 | $75.82 | $40.98 |
| 69105 | T | Biopsy of external ear canal | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 69110 | T | Remove external ear, partial | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 69120 | T | Removal of external ear | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69140 | T | Remove ear canal lesion(s) | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69145 | T | Remove ear canal lesion(s) | 0021 | 14.58 | $758.29 | $227.49 | $151.66 |
| 69150 | T | Extensive ear canal surgery | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 69155 | C | Extensive ear/neck surgery | | | | | |
| 69200 | X | Clear outer ear canal | 0340 | 0.66 | $34.33 | | $6.87 |
| 69205 | T | Clear outer ear canal | 0022 | 18.10 | $941.36 | $367.13 | $188.27 |
| 69210 | X | Remove impacted ear wax | 0340 | 0.66 | $34.33 | | $6.87 |
| 69220 | T | Clean out mastoid cavity | 0012 | 0.76 | $39.53 | $10.67 | $7.91 |
| 69222 | T | Clean out mastoid cavity | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 69300 | T | Revise external ear | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69310 | T | Rebuild outer ear canal | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69320 | T | Rebuild outer ear canal | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69399 | T | Outer ear surgery procedure | 0251 | 1.92 | $99.86 | | $19.97 |
| 69400 | T | Inflate middle ear canal | 0251 | 1.92 | $99.86 | | $19.97 |
| 69401 | T | Inflate middle ear canal | 0251 | 1.92 | $99.86 | | $19.97 |
| 69405 | T | Catheterize middle ear canal | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 69410 | T | Inset middle ear (baffle) | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 69420 | T | Incision of eardrum | 0251 | 1.92 | $99.86 | | $19.97 |
| 69421 | T | Incision of eardrum | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 69424 | T | Remove ventilating tube | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |
| 69433 | T | Create eardrum opening | 0252 | 6.27 | $326.10 | $114.24 | $65.22 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 69436 | T | Create eardrum opening | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 69440 | T | Exploration of middle ear | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69450 | T | Eardrum revision | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69501 | T | Mastoidectomy | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69502 | T | Mastoidectomy | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69505 | T | Remove mastoid structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69511 | T | Extensive mastoid surgery | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69530 | T | Extensive mastoid surgery | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69535 | C | Remove part of temporal bone | | | | | |
| 69540 | T | Remove ear lesion | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 69550 | T | Remove ear lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69552 | T | Remove ear lesion | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69554 | C | Remove ear lesion | | | | | |
| 69601 | T | Mastoid surgery revision | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69602 | T | Mastoid surgery revision | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69603 | T | Mastoid surgery revision | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69604 | T | Mastoid surgery revision | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69605 | T | Mastoid surgery revision | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69610 | T | Repair of eardrum | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69620 | T | Repair of eardrum | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69631 | T | Repair eardrum structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69632 | T | Rebuild eardrum structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69633 | T | Rebuild eardrum structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69635 | T | Repair eardrum structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69636 | T | Rebuild eardrum structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69637 | T | Rebuild eardrum structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69641 | T | Revise middle ear & mastoid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69642 | T | Revise middle ear & mastoid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69643 | T | Revise middle ear & mastoid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69644 | T | Revise middle ear & mastoid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69645 | T | Revise middle ear & mastoid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69646 | T | Revise middle ear & mastoid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69650 | T | Release middle ear bone | 0254 | 21.89 | $1,138.48 | $352.93 | $227.70 |
| 69660 | T | Revise middle ear bone | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69661 | T | Revise middle ear bone | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69662 | T | Revise middle ear bone | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69666 | T | Repair middle ear structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69667 | T | Repair middle ear structures | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69670 | T | Remove mastoid air cells | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69676 | T | Remove middle ear nerve | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69700 | T | Close mastoid fistula | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69710 | E | Implant/replace hearing aid | | | | | |
| 69711 | T | Remove/repair hearing aid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69714 | T | Implant temple bone w/stimul | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69715 | T | Temple bne implnt w/stimulat | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69717 | T | Temple bone implant revision | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69718 | T | Revise temple bone implant | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69720 | T | Release facial nerve | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69725 | T | Release facial nerve | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69740 | T | Repair facial nerve | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69745 | T | Repair facial nerve | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69799 | T | Middle ear surgery procedure | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 69801 | T | Incise inner ear | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69802 | T | Incise inner ear | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69805 | T | Explore inner ear | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69806 | T | Explore inner ear | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69820 | T | Establish inner ear window | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69840 | T | Revise inner ear window | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69905 | T | Remove inner ear | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69910 | T | Remove inner ear & mastoid | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69915 | T | Incise inner ear nerve | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69930 | T | Implant cochlear device | 0259 | 291.05 | $15,137.22 | $7,417.24 | $3,027.44 |
| 69949 | T | Inner ear surgery procedure | 0253 | 14.79 | $769.21 | $284.61 | $153.84 |
| 69950 | C | Incise inner ear nerve | | | | | |
| 69955 | T | Release facial nerve | 0256 | 35.51 | $1,846.84 | | $369.37 |
| 69960 | T | Release inner ear canal | 0256 | 35.51 | $1,846.84 | | $369.37 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 69970 | C | Remove inner ear lesion | | | | | |
| 69979 | T | Temporal bone surgery | 0251 | 1.92 | $99.86 | | $19.97 |
| 69990 | N | Microsurgery add-on | | | | | |
| 70010 | S | Contrast x-ray of brain | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 70015 | S | Contrast x-ray of brain | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 70030 | X | X-ray eye for foreign body | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70100 | X | X-ray exam of jaw | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70110 | X | X-ray exam of jaw | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70120 | X | X-ray exam of mastoids | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70130 | X | X-ray exam of mastoids | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70134 | X | X-ray exam of middle ear | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 70140 | X | X-ray exam of facial bones | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70150 | X | X-ray exam of facial bones | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70160 | X | X-ray exam of nasal bones | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70170 | X | X-ray exam of tear duct | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 70190 | X | X-ray exam of eye sockets | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70200 | X | X-ray exam of eye sockets | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70210 | X | X-ray exam of sinuses | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70220 | X | X-ray exam of sinuses | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70240 | X | X-ray exam, pituitary saddle | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70250 | X | X-ray exam of skull | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70260 | X | X-ray exam of skull | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 70300 | X | X-ray exam of teeth | 0262 | 0.60 | $31.21 | $10.30 | $6.24 |
| 70310 | X | X-ray exam of teeth | 0262 | 0.60 | $31.21 | $10.30 | $6.24 |
| 70320 | X | Full mouth x-ray of teeth | 0262 | 0.60 | $31.21 | $10.30 | $6.24 |
| 70328 | X | X-ray exam of jaw joint | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70330 | X | X-ray exam of jaw joints | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70332 | S | X-ray exam of jaw joint | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 70336 | S | Magnetic image, jaw joint | 0335 | 6.46 | $335.98 | $151.46 | $67.20 |
| 70350 | X | X-ray head for orthodontia | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70355 | X | Panoramic x-ray of jaws | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70360 | X | X-ray exam of neck | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70370 | X | Throat x-ray & fluoroscopy | 0272 | 1.38 | $71.77 | $38.64 | $14.35 |
| 70371 | X | Speech evaluation, complex | 0272 | 1.38 | $71.77 | $38.64 | $14.35 |
| 70373 | X | Contrast x-ray of larynx | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 70380 | X | X-ray exam of salivary gland | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 70390 | X | X-ray exam of salivary duct | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 70450 | S | Ct head/brain w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 70460 | S | Ct head/brain w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 70470 | S | Ct head/brain w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 70480 | S | Ct orbit/ear/fossa w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 70481 | S | Ct orbit/ear/fossa w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 70482 | S | Ct orbit/ear/fossa w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 70486 | S | Ct maxillofacial w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 70487 | S | Ct maxillofacial w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 70488 | S | Ct maxillofacial w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 70490 | S | Ct soft tissue neck w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 70491 | S | Ct soft tissue neck w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 70492 | S | Ct sft tsue nck w/o & w/dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 70496 | S | Ct angiography, head | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |
| 70498 | S | Ct angiography, neck | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |
| 70540 | S | Mri orbit/face/neck w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 70542 | S | Mri orbit/face/neck w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 70543 | S | Mri orbt/fac/nck w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 70544 | S | Mr angiography head w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 70545 | S | Mr angiography head w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 70546 | S | Mr angiograph head w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 70547 | S | Mr angiography neck w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 70548 | S | Mr angiography neck w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 70549 | S | Mr angiograph neck w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 70551 | S | Mri brain w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 70552 | S | Mri brain w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 70553 | S | Mri brain w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 71010 | X | Chest x-ray | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71015 | X | Chest x-ray | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71020 | X | Chest x-ray | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 71021 | X | Chest x-ray | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71022 | X | Chest x-ray | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71023 | X | Chest x-ray and fluoroscopy | 0272 | 1.38 | $71.77 | $38.64 | $14.35 |
| 71030 | X | Chest x-ray | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71034 | X | Chest x-ray and fluoroscopy | 0272 | 1.38 | $71.77 | $38.64 | $14.35 |
| 71035 | X | Chest x-ray | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71040 | X | Contrast x-ray of bronchi | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 71060 | X | Contrast x-ray of bronchi | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 71090 | X | X-ray & pacemaker insertion | 0272 | 1.38 | $71.77 | $38.64 | $14.35 |
| 71100 | X | X-ray exam of ribs | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71101 | X | X-ray exam of ribs/chest | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71110 | X | X-ray exam of ribs | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71111 | X | X-ray exam of ribs/ chest | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 71120 | X | X-ray exam of breastbone | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71130 | X | X-ray exam of breastbone | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 71250 | S | Ct thorax w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 71260 | S | Ct thorax w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 71270 | S | Ct thorax w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 71275 | S | Ct angiography, chest | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |
| 71550 | S | Mri chest w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 71551 | S | Mri chest w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 71552 | S | Mri chest w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 71555 | E | Mri angio chest w or w/o dye | | | | | |
| 72010 | X | X-ray exam of spine | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 72020 | X | X-ray exam of spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72040 | X | X-ray exam of neck spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72050 | X | X-ray exam of neck spine | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 72052 | X | X-ray exam of neck spine | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 72069 | X | X-ray exam of trunk spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72070 | X | X-ray exam of thoracic spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72072 | X | X-ray exam of thoracic spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72074 | X | X-ray exam of thoracic spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72080 | X | X-ray exam of trunk spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72090 | X | X-ray exam of trunk spine | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 72100 | X | X-ray exam of lower spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72110 | X | X-ray exam of lower spine | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 72114 | X | X-ray exam of lower spine | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 72120 | X | X-ray exam of lower spine | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72125 | S | Ct neck spine w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 72126 | S | Ct neck spine w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 72127 | S | Ct neck spine w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 72128 | S | Ct chest spine w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 72129 | S | Ct chest spine w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 72130 | S | Ct chest spine w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 72131 | S | Ct lumbar spine w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 72132 | S | Ct lumbar spine w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 72133 | S | Ct lumbar spine w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 72141 | S | Mri neck spine w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 72142 | S | Mri neck spine w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 72146 | S | Mri chest spine w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 72147 | S | Mri chest spine w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 72148 | S | Mri lumbar spine w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 72149 | S | Mri lumbar spine w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 72156 | S | Mri neck spine w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 72157 | S | Mri chest spine w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 72158 | S | Mri lumbar spine w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 72159 | E | Mr angio spine w/o&w dye | | | | | |
| 72170 | X | X-ray exam of pelvis | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72190 | X | X-ray exam of pelvis | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72191 | S | Ct angiograph pelv w/o&w dye | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |
| 72192 | S | Ct pelvis w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 72193 | S | Ct pelvis w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 72194 | S | Ct pelvis w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 72195 | S | Mri pelvis w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 72196 | S | Mri pelvis w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 72197 | S | Mri pelvis w/o & w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 72198 | E | Mr angio pelvis w/o&w dye | | | | | |
| 72200 | X | X-ray exam sacroiliac joints | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72202 | X | X-ray exam sacroiliac joints | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72220 | X | X-ray exam of tailbone | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 72240 | S | Contrast x-ray of neck spine | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 72255 | S | Contrast x-ray, thorax spine | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 72265 | S | Contrast x-ray, lower spine | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 72270 | S | Contrast x-ray of spine | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 72275 | S | Epidurography | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 72285 | S | X-ray c/t spine disk | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 72295 | S | X-ray of lower spine disk | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 73000 | X | X-ray exam of collar bone | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73010 | X | X-ray exam of shoulder blade | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73020 | X | X-ray exam of shoulder | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73030 | X | X-ray exam of shoulder | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73040 | S | Contrast x-ray of shoulder | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 73050 | X | X-ray exam of shoulders | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73060 | X | X-ray exam of humerus | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73070 | X | X-ray exam of elbow | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73080 | X | X-ray exam of elbow | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73085 | S | Contrast x-ray of elbow | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 73090 | X | X-ray exam of forearm | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73092 | X | X-ray exam of arm, infant | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73100 | X | X-ray exam of wrist | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73110 | X | X-ray exam of wrist | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73115 | S | Contrast x-ray of wrist | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 73120 | X | X-ray exam of hand | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73130 | X | X-ray exam of hand | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73140 | X | X-ray exam of finger(s) | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73200 | S | Ct upper extremity w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 73201 | S | Ct upper extremity w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 73202 | S | Ct uppr extremity w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 73206 | S | Ct angio upr extrm w/o&w dye | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |
| 73218 | S | Mri upper extremity w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 73219 | S | Mri upper extremity w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 73220 | S | Mri uppr extremity w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 73221 | S | Mri joint upr extrem w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 73222 | S | Mri joint upr extrem w/ dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 73223 | S | Mri joint upr extr w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 73225 | E | Mr angio upr extr w/o&w dye | | | | | |
| 73500 | X | X-ray exam of hip | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73510 | X | X-ray exam of hip | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73520 | X | X-ray exam of hips | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73525 | S | Contrast x-ray of hip | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 73530 | X | X-ray exam of hip | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 73540 | X | X-ray exam of pelvis & hips | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73542 | S | X-ray exam, sacroiliac joint | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 73550 | X | X-ray exam of thigh | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73560 | X | X-ray exam of knee, 1 or 2 | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73562 | X | X-ray exam of knee, 3 | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73564 | X | X-ray exam, knee, 4 or more | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73565 | X | X-ray exam of knees | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73580 | S | Contrast x-ray of knee joint | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 73590 | X | X-ray exam of lower leg | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73592 | X | X-ray exam of leg, infant | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73600 | X | X-ray exam of ankle | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73610 | X | X-ray exam of ankle | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73615 | S | Contrast x-ray of ankle | 0275 | 3.09 | $160.71 | $69.09 | $32.14 |
| 73620 | X | X-ray exam of foot | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73630 | X | X-ray exam of foot | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73650 | X | X-ray exam of heel | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73660 | X | X-ray exam of toe(s) | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 73700 | S | Ct lower extremity w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 73701 | S | Ct lower extremity w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 73702 | S | Ct lwr extremity w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 73706 | S | Ct angio lwr extr w/o&w dye | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 73718 | S | Mri lower extremity w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 73719 | S | Mri lower extremity w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 73720 | S | Mri lwr extremity w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 73721 | S | Mri joint of lwr extre w/o d | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 73722 | S | Mri joint of lwr extr w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 73723 | S | Mri joint lwr extr w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 73725 | E | Mr ang lwr ext w or w/o dye | | | | | |
| 74000 | X | X-ray exam of abdomen | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 74010 | X | X-ray exam of abdomen | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 74020 | X | X-ray exam of abdomen | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 74022 | X | X-ray exam series, abdomen | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 74150 | S | Ct abdomen w/o dye | 0332 | 3.62 | $188.27 | $91.27 | $37.65 |
| 74160 | S | Ct abdomen w/dye | 0283 | 4.75 | $247.04 | | $49.41 |
| 74170 | S | Ct abdomen w/o&w dye | 0333 | 5.69 | $295.93 | $146.98 | $59.19 |
| 74175 | S | Ct angio abdom w/o&w dye | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |
| 74181 | S | Mri abdomen w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 74182 | S | Mri abdomen w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 74183 | S | Mri abdomen w/o&w dye | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| 74185 | E | Mri angio, abdom w or w/o dy | | | | | |
| 74190 | X | X-ray exam of peritoneum | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 74210 | S | Contrst x-ray exam of throat | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74220 | S | Contrast x-ray, esophagus | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74230 | S | Cine/video x-ray, throat/eso | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74235 | S | Remove esophagus obstruction | 0296 | 2.12 | $110.26 | $52.92 | $22.05 |
| 74240 | S | X-ray exam, upper gi tract | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74241 | S | X-ray exam, upper gi tract | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74245 | S | X-ray exam, upper gi tract | 0277 | 2.50 | $130.02 | $60.47 | $26.00 |
| 74246 | S | Contrst x-ray uppr gi tract | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74247 | S | Contrst x-ray uppr gi tract | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74249 | S | Contrst x-ray uppr gi tract | 0277 | 2.50 | $130.02 | $60.47 | $26.00 |
| 74250 | S | X-ray exam of small bowel | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74251 | S | X-ray exam of small bowel | 0277 | 2.50 | $130.02 | $60.47 | $26.00 |
| 74260 | S | X-ray exam of small bowel | 0277 | 2.50 | $130.02 | $60.47 | $26.00 |
| 74270 | S | Contrast x-ray exam of colon | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74280 | S | Contrast x-ray exam of colon | 0277 | 2.50 | $130.02 | $60.47 | $26.00 |
| 74283 | S | Contrast x-ray exam of colon | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74290 | S | Contrast x-ray, gallbladder | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74291 | S | Contrast x-rays, gallbladder | 0276 | 1.69 | $87.90 | $41.72 | $17.58 |
| 74300 | X | X-ray bile ducts/pancreas | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 74301 | X | X-rays at surgery add-on | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 74305 | X | X-ray bile ducts/pancreas | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 74320 | X | Contrast x-ray of bile ducts | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 74327 | S | X-ray bile stone removal | 0296 | 2.12 | $110.26 | $52.92 | $22.05 |
| 74328 | N | Xray bile duct endoscopy | | | | | |
| 74329 | N | X-ray for pancreas endoscopy | | | | | |
| 74330 | N | X-ray bile/panc endoscopy | | | | | |
| 74340 | X | X-ray guide for GI tube | 0272 | 1.38 | $71.77 | $38.64 | $14.35 |
| 74350 | X | X-ray guide, stomach tube | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 74355 | X | X-ray guide, intestinal tube | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 74360 | S | X-ray guide, GI dilation | 0296 | 2.12 | $110.26 | $52.92 | $22.05 |
| 74363 | S | X-ray, bile duct dilation | 0297 | 7.80 | $405.67 | $172.51 | $81.13 |
| 74400 | S | Contrst x-ray, urinary tract | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74410 | S | Contrst x-ray, urinary tract | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74415 | S | Contrst x-ray, urinary tract | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74420 | S | Contrst x-ray, urinary tract | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74425 | S | Contrst x-ray, urinary tract | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74430 | S | Contrast x-ray, bladder | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74440 | S | X-ray, male genital tract | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74445 | S | X-ray exam of penis | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74450 | S | X-ray, urethra/bladder | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74455 | S | X-ray, urethra/bladder | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 74470 | X | X-ray exam of kidney lesion | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 74475 | S | X-ray control, cath insert | 0297 | 7.80 | $405.67 | $172.51 | $81.13 |
| 74480 | S | X-ray control, cath insert | 0296 | 2.12 | $110.26 | $52.92 | $22.05 |
| 74485 | S | X-ray guide, GU dilation | 0296 | 2.12 | $110.26 | $52.92 | $22.05 |
| 74710 | X | X-ray measurement of pelvis | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 74740 | X | X-ray, female genital tract | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 74742 | X | X-ray, fallopian tube | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 74775 | S | X-ray exam of perineum | 0278 | 2.65 | $137.82 | $66.07 | $27.56 |
| 75552 | S | Heart mri for morph w/o dye | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| 75553 | S | Heart mri for morph w/dye | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| 75554 | S | Cardiac MRI/function | 0335 | 6.46 | $335.98 | $151.46 | $67.20 |
| 75555 | S | Cardiac MRI/limited study | 0335 | 6.46 | $335.98 | $151.46 | $67.20 |
| 75556 | E | Cardiac MRI/flow mapping | | | | | |
| 75600 | S | Contrast x-ray exam of aorta | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75605 | S | Contrast x-ray exam of aorta | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75625 | S | Contrast x-ray exam of aorta | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75630 | S | X-ray aorta, leg arteries | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75635 | S | Ct angio abdominal arteries | 0662 | 5.96 | $309.97 | $170.48 | $61.99 |
| 75650 | S | Artery x-rays, head & neck | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75658 | S | Artery x-rays, arm | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75660 | S | Artery x-rays, head & neck | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75662 | S | Artery x-rays, head & neck | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75665 | S | Artery x-rays, head & neck | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75671 | S | Artery x-rays, head & neck | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75676 | S | Artery x-rays, neck | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75680 | S | Artery x-rays, neck | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75685 | S | Artery x-rays, spine | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75705 | S | Artery x-rays, spine | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75710 | S | Artery x-rays, arm/leg | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75716 | S | Artery x-rays, arms/legs | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75722 | S | Artery x-rays, kidney | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75724 | S | Artery x-rays, kidneys | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75726 | S | Artery x-rays, abdomen | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75731 | S | Artery x-rays, adrenal gland | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75733 | S | Artery x-rays, adrenals | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75736 | S | Artery x-rays, pelvis | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75741 | S | Artery x-rays, lung | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75743 | S | Artery x-rays, lungs | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75746 | S | Artery x-rays, lung | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75756 | S | Artery x-rays, chest | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75774 | S | Artery x-ray, each vessel | 0668 | 5.36 | $278.77 | $122.66 | $55.75 |
| 75790 | S | Visualize A-V shunt | 0281 | 5.23 | $272.01 | $115.16 | $54.40 |
| 75801 | X | Lymph vessel x-ray, arm/leg | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 75803 | X | Lymph vessel x-ray,arms/legs | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 75805 | X | Lymph vessel x-ray, trunk | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 75807 | X | Lymph vessel x-ray, trunk | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 75809 | X | Nonvascular shunt, x-ray | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 75810 | S | Vein x-ray, spleen/liver | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75820 | S | Vein x-ray, arm/leg | 0281 | 5.23 | $272.01 | $115.16 | $54.40 |
| 75822 | S | Vein x-ray, arms/legs | 0281 | 5.23 | $272.01 | $115.16 | $54.40 |
| 75825 | S | Vein x-ray, trunk | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75827 | S | Vein x-ray, chest | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75831 | S | Vein x-ray, kidney | 0287 | 7.13 | $370.82 | $114.51 | $74.16 |
| 75833 | S | Vein x-ray, kidneys | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75840 | S | Vein x-ray, adrenal gland | 0287 | 7.13 | $370.82 | $114.51 | $74.16 |
| 75842 | S | Vein x-ray, adrenal glands | 0287 | 7.13 | $370.82 | $114.51 | $74.16 |
| 75860 | S | Vein x-ray, neck | 0287 | 7.13 | $370.82 | $114.51 | $74.16 |
| 75870 | S | Vein x-ray, skull | 0287 | 7.13 | $370.82 | $114.51 | $74.16 |
| 75872 | S | Vein x-ray, skull | 0287 | 7.13 | $370.82 | $114.51 | $74.16 |
| 75880 | S | Vein x-ray, eye socket | 0287 | 7.13 | $370.82 | $114.51 | $74.16 |
| 75885 | S | Vein x-ray, liver | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75887 | S | Vein x-ray, liver | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75889 | S | Vein x-ray, liver | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75891 | S | Vein x-ray, liver | 0279 | 8.41 | $437.40 | $174.57 | $87.48 |
| 75893 | N | Venous sampling by catheter | | | | | |
| 75894 | S | X-rays, transcath therapy | 0297 | 7.80 | $405.67 | $172.51 | $81.13 |
| 75896 | S | X-rays, transcath therapy | 0297 | 7.80 | $405.67 | $172.51 | $81.13 |
| 75898 | X | Follow-up angiography | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 75900 | C | Arterial catheter exchange | | | | | |
| 75940 | X | X-ray placement, vein filter | 0187 | 4.19 | $217.92 | $94.96 | $43.58 |
| 75945 | S | Intravascular us | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 75946 | S | Intravascular us add-on | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 75952 | C | Endovasc repair abdom aorta | | | | | |
| 75953 | C | Abdom aneurysm endovas rpr | | | | | |
| 75960 | S | Transcatheter intro, stent | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75961 | S | Retrieval, broken catheter | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75962 | S | Repair arterial blockage | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75964 | S | Repair artery blockage, each | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75966 | S | Repair arterial blockage | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75968 | S | Repair artery blockage, each | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75970 | S | Vascular biopsy | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75978 | S | Repair venous blockage | 0668 | 5.36 | $278.77 | $122.66 | $55.75 |
| 75980 | S | Contrast xray exam bile duct | 0296 | 2.12 | $110.26 | $52.92 | $22.05 |
| 75982 | S | Contrast xray exam bile duct | 0297 | 7.80 | $405.67 | $172.51 | $81.13 |
| 75984 | X | Xray control catheter change | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 75989 | N | Abscess drainage under x-ray | | | | | |
| 75992 | S | Atherectomy, x-ray exam | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75993 | S | Atherectomy, x-ray exam | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75994 | S | Atherectomy, x-ray exam | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75995 | S | Atherectomy, x-ray exam | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 75996 | S | Atherectomy, x-ray exam | 0280 | 15.51 | $806.66 | $353.85 | $161.33 |
| 76000 | X | Fluoroscope examination | 0272 | 1.38 | $71.77 | $38.64 | $14.35 |
| 76001 | N | Fluoroscope exam, extensive | | | | | |
| 76003 | N | Needle localization by x-ray | | | | | |
| 76005 | N | Fluoroguide for spine inject | | | | | |
| 76006 | X | X-ray stress view | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76010 | X | X-ray, nose to rectum | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76012 | S | Percut vertebroplasty fluor | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 76013 | S | Percut vertebroplasty, ct | 0274 | 3.21 | $166.95 | $80.14 | $33.39 |
| 76020 | X | X-rays for bone age | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76040 | X | X-rays, bone evaluation | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76061 | X | X-rays, bone survey | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 76062 | X | X-rays, bone survey | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 76065 | X | X-rays, bone evaluation | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 76066 | X | Joint survey, single view | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76070 | E | CT scan, bone density study | | | | | |
| 76075 | S | Dual energy x-ray study | 0288 | 1.38 | $71.77 | | $14.35 |
| 76076 | S | Dual energy x-ray study | 0665 | 0.73 | $37.97 | | $7.59 |
| 76078 | X | Radiographic absorptiometry | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 76080 | X | X-ray exam of fistula | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 76085 | A | Computer mammogram add-on | | | | | |
| 76086 | X | X-ray of mammary duct | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 76088 | X | X-ray of mammary ducts | 0263 | 1.99 | $103.50 | $45.54 | $20.70 |
| 76090 | S | Mammogram, one breast | 0271 | 0.69 | $35.89 | $16.80 | $7.18 |
| 76091 | S | Mammogram, both breasts | 0271 | 0.69 | $35.89 | $16.80 | $7.18 |
| 76092 | A | Mammogram, screening | | | | | |
| 76093 | E | Magnetic image, breast | | | | | |
| 76094 | E | Magnetic image, both breasts | | | | | |
| 76095 | X | Stereotactic breast biopsy | 0187 | 4.19 | $217.92 | $94.96 | $43.58 |
| 76096 | X | X-ray of needle wire, breast | 0289 | 1.84 | $95.70 | $44.80 | $19.14 |
| 76098 | X | X-ray exam, breast specimen | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76100 | X | X-ray exam of body section | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 76101 | X | Complex body section x-ray | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 76102 | X | Complex body section x-rays | 0264 | 2.75 | $143.02 | $77.23 | $28.60 |
| 76120 | X | Cine/video x-rays | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76125 | X | Cine/ video x-rays add-on | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76140 | E | X-ray consultation | | | | | |
| 76150 | X | X-ray exam, dry process | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76350 | N | Special x-ray contrast study | | | | | |
| 76355 | S | CAT scan for localization | 0283 | 4.75 | $247.04 | | $49.41 |
| 76360 | S | CAT scan for needle biopsy | 0283 | 4.75 | $247.04 | | $49.41 |
| 76362 | N | Cat scan for tissue ablation | | | | | |
| 76370 | S | CAT scan for therapy guide | 0282 | 1.76 | $91.54 | $44.51 | $18.31 |
| 76375 | S | 3d/holograph reconstr add-on | 0282 | 1.76 | $91.54 | $44.51 | $18.31 |
| 76380 | S | CAT scan follow-up study | 0282 | 1.76 | $91.54 | $44.51 | $18.31 |
| 76390 | E | Mr spectroscopy | | | | | |
| 76393 | N | Mr guidance for needle place | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 76394 | N | Mri for tissue ablation | | | | | |
| 76400 | S | Magnetic image, bone marrow | 0335 | 6.46 | $335.98 | $151.46 | $67.20 |
| 76490 | N | Us for tissue ablation | | | | | |
| 76499 | X | Radiographic procedure | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 76506 | S | Echo exam of head | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76511 | S | Echo exam of eye | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76512 | S | Echo exam of eye | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76513 | S | Echo exam of eye, water bath | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76516 | S | Echo exam of eye | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76519 | S | Echo exam of eye | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76529 | S | Echo exam of eye | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76536 | S | Us exam of head and neck | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76604 | S | Us exam, chest, b-scan | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76645 | S | Us exam, breast(s) | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76700 | S | Us exam, abdom, complete | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76705 | S | Us exam, abdom, limited | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76770 | S | Us exam abdo back wall, comp | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76775 | S | Us exam abdo back wall, lim | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76778 | S | Us exam kidney transplant | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76800 | S | Us exam, spinal canal | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76805 | S | Us exam, pg uterus, compl | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76810 | S | Us exam, pg uterus, mult | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76815 | S | Us exam, pg uterus limit | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76816 | S | Us exam pg uterus repeat | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76818 | S | Fetal biophy profile w/nst | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76819 | S | Fetal biophys profil w/o nst | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76825 | S | Echo exam of fetal heart | 0671 | 1.68 | $87.38 | $45.44 | $17.48 |
| 76826 | S | Echo exam of fetal heart | 0697 | 1.51 | $78.53 | $40.84 | $15.71 |
| 76827 | S | Echo exam of fetal heart | 0671 | 1.68 | $87.38 | $45.44 | $17.48 |
| 76828 | S | Echo exam of fetal heart | 0697 | 1.51 | $78.53 | $40.84 | $15.71 |
| 76830 | S | Us exam, transvaginal | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76831 | S | Echo exam, uterus | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76856 | S | Us exam, pelvic, complete | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76857 | S | Us exam, pelvic, limited | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76870 | S | Us exam, scrotum | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76872 | S | Echo exam, transrectal | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76873 | S | Echograp trans r, pros study | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76880 | S | Us exam, extremity | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76885 | S | Us exam infant hips, dynamic | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76886 | S | Us exam infant hips, static | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76930 | S | Echo guide, cardiocentesis | 0268 | 1.48 | $76.97 | | $15.39 |
| 76932 | S | Echo guide for heart biopsy | 0268 | 1.48 | $76.97 | | $15.39 |
| 76936 | S | Echo guide for artery repair | 0268 | 1.48 | $76.97 | | $15.39 |
| 76941 | S | Echo guide for transfusion | 0268 | 1.48 | $76.97 | | $15.39 |
| 76942 | S | Echo guide for biopsy | 0268 | 1.48 | $76.97 | | $15.39 |
| 76945 | S | Echo guide, villus sampling | 0268 | 1.48 | $76.97 | | $15.39 |
| 76946 | S | Echo guide for amniocentesis | 0268 | 1.48 | $76.97 | | $15.39 |
| 76948 | S | Echo guide, ova aspiration | 0268 | 1.48 | $76.97 | | $15.39 |
| 76950 | S | Echo guidance radiotherapy | 0268 | 1.48 | $76.97 | | $15.39 |
| 76965 | S | Echo guidance radiotherapy | 0268 | 1.48 | $76.97 | | $15.39 |
| 76970 | S | Ultrasound exam follow-up | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76975 | S | GI endoscopic ultrasound | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76977 | S | Us bone density measure | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 76986 | S | Ultrasound guide intraoper | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 76999 | S | Echo examination procedure | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| 77261 | E | Radiation therapy planning | | | | | |
| 77262 | E | Radiation therapy planning | | | | | |
| 77263 | E | Radiation therapy planning | | | | | |
| 77280 | X | Set radiation therapy field | 0304 | 1.69 | $87.90 | $41.52 | $17.58 |
| 77285 | X | Set radiation therapy field | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77290 | X | Set radiation therapy field | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77295 | X | Set radiation therapy field | 0310 | 14.38 | $747.89 | $339.05 | $149.58 |
| 77299 | E | Radiation therapy planning | | | | | |
| 77300 | X | Radiation therapy dose plan | 0304 | 1.69 | $87.90 | $41.52 | $17.58 |
| 77301 | S | Radioltherapy dos plan, imrt | 0712 | | $875.00 | | $175.00 |
| 77305 | X | Radiation therapy dose plan | 0304 | 1.69 | $87.90 | $41.52 | $17.58 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 77310 | X | Radiation therapy dose plan | 0304 | 1.69 | $87.90 | $41.52 | $17.58 |
| 77315 | X | Radiation therapy dose plan | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77321 | X | Radiation therapy port plan | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77326 | X | Radiation therapy dose plan | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77327 | X | Radiation therapy dose plan | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77328 | X | Radiation therapy dose plan | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77331 | X | Special radiation dosimetry | 0304 | 1.69 | $87.90 | $41.52 | $17.58 |
| 77332 | X | Radiation treatment aid(s) | 0303 | 2.93 | $152.39 | $68.58 | $30.48 |
| 77333 | X | Radiation treatment aid(s) | 0303 | 2.93 | $152.39 | $68.58 | $30.48 |
| 77334 | X | Radiation treatment aid(s) | 0303 | 2.93 | $152.39 | $68.58 | $30.48 |
| 77336 | X | Radiation physics consult | 0304 | 1.69 | $87.90 | $41.52 | $17.58 |
| 77370 | X | Radiation physics consult | 0305 | 3.87 | $201.27 | $91.38 | $40.25 |
| 77399 | X | External radiation dosimetry | 0304 | 1.69 | $87.90 | $41.52 | $17.58 |
| 77401 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77402 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77403 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77404 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77406 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77407 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77408 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77409 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77411 | S | Radiation treatment delivery | 0300 | 1.53 | $79.57 | | $15.91 |
| 77412 | S | Radiation treatment delivery | 0301 | 2.22 | $115.46 | | $23.09 |
| 77413 | S | Radiation treatment delivery | 0301 | 2.22 | $115.46 | | $23.09 |
| 77414 | S | Radiation treatment delivery | 0301 | 2.22 | $115.46 | | $23.09 |
| 77416 | S | Radiation treatment delivery | 0301 | 2.22 | $115.46 | | $23.09 |
| 77417 | X | Radiology port film(s) | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| 77418 | S | Radiation tx delivery, imrt | 0710 | | $400.00 | | $80.00 |
| 77427 | E | Radiation tx management, x5 | | | | | |
| 77431 | E | Radiation therapy management | | | | | |
| 77432 | E | Stereotactic radiation trmt | | | | | |
| 77470 | S | Special radiation treatment | 0299 | 6.20 | $322.46 | | $64.49 |
| 77499 | E | Radiation therapy management | | | | | |
| 77520 | S | Proton trmt, simple w/o comp | 0664 | 11.03 | $573.66 | | $114.73 |
| 77522 | S | Proton trmt, simple w/comp | 0664 | 11.03 | $573.66 | | $114.73 |
| 77523 | S | Proton trmt, intermediate | 0664 | 11.03 | $573.66 | | $114.73 |
| 77525 | S | Proton treatment, complex | 0664 | 11.03 | $573.66 | | $114.73 |
| 77600 | S | Hyperthermia treatment | 0314 | 4.24 | $220.52 | $101.77 | $44.10 |
| 77605 | S | Hyperthermia treatment | 0314 | 4.24 | $220.52 | $101.77 | $44.10 |
| 77610 | S | Hyperthermia treatment | 0314 | 4.24 | $220.52 | $101.77 | $44.10 |
| 77615 | S | Hyperthermia treatment | 0314 | 4.24 | $220.52 | $101.77 | $44.10 |
| 77620 | S | Hyperthermia treatment | 0314 | 4.24 | $220.52 | $101.77 | $44.10 |
| 77750 | S | Infuse radioactive materials | 0300 | 1.53 | $79.57 | | $15.91 |
| 77761 | S | Apply intrcav radiat simple | 0312 | 4.23 | $220.00 | | $44.00 |
| 77762 | S | Apply intrcav radiat interm | 0312 | 4.23 | $220.00 | | $44.00 |
| 77763 | S | Apply intrcav radiat compl | 0312 | 4.23 | $220.00 | | $44.00 |
| 77776 | S | Apply interstit radiat simpl | 0312 | 4.23 | $220.00 | | $44.00 |
| 77777 | S | Apply interstit radiat inter | 0312 | 4.23 | $220.00 | | $44.00 |
| 77778 | S | Apply iterstit radiat compl | 0312 | 4.23 | $220.00 | | $44.00 |
| 77781 | S | High intensity brachytherapy | 0313 | 13.80 | $717.72 | | $143.54 |
| 77782 | S | High intensity brachytherapy | 0313 | 13.80 | $717.72 | | $143.54 |
| 77783 | S | High intensity brachytherapy | 0313 | 13.80 | $717.72 | | $143.54 |
| 77784 | S | High intensity brachytherapy | 0313 | 13.80 | $717.72 | | $143.54 |
| 77789 | S | Apply surface radiation | 0300 | 1.53 | $79.57 | | $15.91 |
| 77790 | N | Radiation handling | | | | | |
| 77799 | S | Radium/radioisotope therapy | 0313 | 13.80 | $717.72 | | $143.54 |
| 78000 | S | Thyroid, single uptake | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78001 | S | Thyroid, multiple uptakes | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78003 | S | Thyroid suppress/stimul | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78006 | S | Thyroid imaging with uptake | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78007 | S | Thyroid image, mult uptakes | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78010 | S | Thyroid imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78011 | S | Thyroid imaging with flow | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78015 | S | Thyroid met imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78016 | S | Thyroid met imaging/studies | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78018 | S | Thyroid met imaging, body | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 78020 | S | Thyroid met uptake | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78070 | S | Parathyroid nuclear imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78075 | S | Adrenal nuclear imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78099 | S | Endocrine nuclear procedure | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78102 | S | Bone marrow imaging, ltd | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78103 | S | Bone marrow imaging, mult | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78104 | S | Bone marrow imaging, body | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78110 | S | Plasma volume, single | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78111 | S | Plasma volume, multiple | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78120 | S | Red cell mass, single | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78121 | S | Red cell mass, multiple | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78122 | S | Blood volume | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78130 | S | Red cell survival study | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78135 | S | Red cell survival kinetics | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78140 | S | Red cell sequestration | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78160 | S | Plasma iron turnover | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78162 | S | Iron absorption exam | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78170 | S | Red cell iron utilization | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78172 | S | Total body iron estimation | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78185 | S | Spleen imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78190 | S | Platelet survival, kinetics | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78191 | S | Platelet survival | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78195 | S | Lymph system imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78199 | S | Blood/lymph nuclear exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78201 | S | Liver imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78202 | S | Liver imaging with flow | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78205 | S | Liver imaging (3D) | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78206 | S | Liver image (3d) w/flow | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78215 | S | Liver and spleen imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78216 | S | Liver & spleen image/flow | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78220 | S | Liver function study | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78223 | S | Hepatobiliary imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78230 | S | Salivary gland imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78231 | S | Serial salivary imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78232 | S | Salivary gland function exam | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78258 | S | Esophageal motility study | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78261 | S | Gastric mucosa imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78262 | S | Gastroesophageal reflux exam | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78264 | S | Gastric emptying study | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78267 | A | Breath tst attain/anal c-14 | | | | | |
| 78268 | A | Breath test analysis, c-14 | | | | | |
| 78270 | S | Vit B-12 absorption exam | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78271 | S | Vit B-12 absorp exam, IF | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78272 | S | Vit B-12 absorp, combined | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78278 | S | Acute GI blood loss imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78282 | S | GI protein loss exam | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78290 | S | Meckel's divert exam | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78291 | S | Leveen/shunt patency exam | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78299 | S | GI nuclear procedure | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78300 | S | Bone imaging, limited area | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78305 | S | Bone imaging, multiple areas | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78306 | S | Bone imaging, whole body | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78315 | S | Bone imaging, 3 phase | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78320 | S | Bone imaging (3D) | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78350 | X | Bone mineral, single photon | 0261 | 1.37 | $71.25 | $34.15 | $14.25 |
| 78351 | E | Bone mineral, dual photon | | | | | |
| 78399 | S | Musculoskeletal nuclear exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78414 | S | Non-imaging heart function | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78428 | S | Cardiac shunt imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78445 | S | Vascular flow imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78455 | S | Venous thrombosis study | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78456 | S | Acute venous thrombus image | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78457 | S | Venous thrombosis imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78458 | S | Ven thrombosis images, bilat | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78459 | E | Heart muscle imaging (PET) | | | | | |
| 78460 | S | Heart muscle blood, single | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 78461 | S | Heart muscle blood, multiple | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78464 | S | Heart image (3d), single | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78465 | S | Heart image (3d), multiple | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78466 | S | Heart infarct image | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78468 | S | Heart infarct image (ef) | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78469 | S | Heart infarct image (3D) | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78472 | S | Gated heart, planar, single | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78473 | S | Gated heart, multiple | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78478 | S | Heart wall motion add-on | 0666 | 1.59 | $82.69 | $45.48 | $16.54 |
| 78480 | S | Heart function add-on | 0666 | 1.59 | $82.69 | $45.48 | $16.54 |
| 78481 | S | Heart first pass, single | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78483 | S | Heart first pass, multiple | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78491 | E | Heart image (pet), single | | | | | |
| 78492 | E | Heart image (pet), multiple | | | | | |
| 78494 | S | Heart image, spect | 0286 | 6.94 | $360.94 | $198.52 | $72.19 |
| 78496 | S | Heart first pass add-on | 0666 | 1.59 | $82.69 | $45.48 | $16.54 |
| 78499 | S | Cardiovascular nuclear exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78580 | S | Lung perfusion imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78584 | S | Lung V/Q image single breath | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78585 | S | Lung V/Q imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78586 | S | Aerosol lung image, single | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78587 | S | Aerosol lung image, multiple | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78588 | S | Perfusion lung image | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78591 | S | Vent image, 1 breath, 1 proj | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78593 | S | Vent image, 1 proj, gas | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78594 | S | Vent image, mult proj, gas | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78596 | S | Lung differential function | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78599 | S | Respiratory nuclear exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78600 | S | Brain imaging, ltd static | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78601 | S | Brain imaging, ltd w/ flow | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78605 | S | Brain imaging, complete | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78606 | S | Brain imaging, compl w/flow | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78607 | S | Brain imaging (3D) | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78608 | E | Brain imaging (PET) | | | | | |
| 78609 | E | Brain imaging (PET) | | | | | |
| 78610 | S | Brain flow imaging only | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78615 | S | Cerebral vascular flow image | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78630 | S | Cerebrospinal fluid scan | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78635 | S | CSF ventriculography | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78645 | S | CSF shunt evaluation | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78647 | S | Cerebrospinal fluid scan | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78650 | S | CSF leakage imaging | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78660 | S | Nuclear exam of tear flow | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78699 | S | Nervous system nuclear exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78700 | S | Kidney imaging, static | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78701 | S | Kidney imaging with flow | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78704 | S | Imaging renogram | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78707 | S | Kidney flow/function image | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78708 | S | Kidney flow/function image | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78709 | S | Kidney flow/function image | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78710 | S | Kidney imaging (3D) | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78715 | S | Renal vascular flow exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78725 | S | Kidney function study | 0290 | 2.16 | $112.34 | $56.17 | $22.47 |
| 78730 | S | Urinary bladder retention | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78740 | S | Ureteral reflux study | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78760 | S | Testicular imaging | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78761 | S | Testicular imaging/flow | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78799 | S | Genitourinary nuclear exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 78800 | S | Tumor imaging, limited area | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78801 | S | Tumor imaging, mult areas | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78802 | S | Tumor imaging, whole body | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78803 | S | Tumor imaging (3D) | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78805 | S | Abscess imaging, ltd area | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78806 | S | Abscess imaging, whole body | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78807 | S | Nuclear localization/abscess | 0292 | 4.53 | $235.60 | $117.80 | $47.12 |
| 78810 | E | Tumor imaging (PET) | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 78890 | N | Nuclear medicine data proc | | | | | |
| 78891 | N | Nuclear med data proc | | | | | |
| 78990 | N | Provide diag radionuclide(s) | | | | | |
| 78999 | S | Nuclear diagnostic exam | 0291 | 4.19 | $217.92 | $108.96 | $43.58 |
| 79000 | S | Init hyperthyroid therapy | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 79001 | S | Repeat hyperthyroid therapy | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 79020 | S | Thyroid ablation | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 79030 | S | Thyroid ablation, carcinoma | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 79035 | S | Thyroid metastatic therapy | 0295 | 3.86 | $200.75 | $110.41 | $40.15 |
| 79100 | S | Hematopoetic nuclear therapy | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 79200 | S | Intracavitary nuclear trmt | 0295 | 3.86 | $200.75 | $110.41 | $40.15 |
| 79300 | S | Interstitial nuclear therapy | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 79400 | S | Nonhemato nuclear therapy | 0295 | 3.86 | $200.75 | $110.41 | $40.15 |
| 79420 | S | Intravascular nuclear ther | 0295 | 3.86 | $200.75 | $110.41 | $40.15 |
| 79440 | S | Nuclear joint therapy | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 79900 | N | Provide ther radiopharm(s) | | | | | |
| 79999 | S | Nuclear medicine therapy | 0294 | 4.45 | $231.44 | $127.29 | $46.29 |
| 80048 | A | Basic metabolic panel | | | | | |
| 80050 | A | General health panel | | | | | |
| 80051 | A | Electrolyte panel | | | | | |
| 80053 | A | Comprehen metabolic panel | | | | | |
| 80055 | A | Obstetric panel | | | | | |
| 80061 | A | Lipid panel | | | | | |
| 80069 | A | Renal function panel | | | | | |
| 80074 | A | Acute hepatitis panel | | | | | |
| 80076 | A | Hepatic function panel | | | | | |
| 80090 | A | Torch antibody panel | | | | | |
| 80100 | A | Drug screen, qualitate/multi | | | | | |
| 80101 | A | Drug screen, single | | | | | |
| 80102 | A | Drug confirmation | | | | | |
| 80103 | N | Drug analysis, tissue prep | | | | | |
| 80150 | A | Assay of amikacin | | | | | |
| 80152 | A | Assay of amitriptyline | | | | | |
| 80154 | A | Assay of benzodiazepines | | | | | |
| 80156 | A | Assay, carbamazepine, total | | | | | |
| 80157 | A | Assay, carbamazepine, free | | | | | |
| 80158 | A | Assay of cyclosporine | | | | | |
| 80160 | A | Assay of desipramine | | | | | |
| 80162 | A | Assay of digoxin | | | | | |
| 80164 | A | Assay, dipropylacetic acid | | | | | |
| 80166 | A | Assay of doxepin | | | | | |
| 80168 | A | Assay of ethosuximide | | | | | |
| 80170 | A | Assay of gentamicin | | | | | |
| 80172 | A | Assay of gold | | | | | |
| 80173 | A | Assay of haloperidol | | | | | |
| 80174 | A | Assay of imipramine | | | | | |
| 80176 | A | Assay of lidocaine | | | | | |
| 80178 | A | Assay of lithium | | | | | |
| 80182 | A | Assay of nortriptyline | | | | | |
| 80184 | A | Assay of phenobarbital | | | | | |
| 80185 | A | Assay of phenytoin, total | | | | | |
| 80186 | A | Assay of phenytoin, free | | | | | |
| 80188 | A | Assay of primidone | | | | | |
| 80190 | A | Assay of procainamide | | | | | |
| 80192 | A | Assay of procainamide | | | | | |
| 80194 | A | Assay of quinidine | | | | | |
| 80196 | A | Assay of salicylate | | | | | |
| 80197 | A | Assay of tacrolimus | | | | | |
| 80198 | A | Assay of theophylline | | | | | |
| 80200 | A | Assay of tobramycin | | | | | |
| 80201 | A | Assay of topiramate | | | | | |
| 80202 | A | Assay of vancomycin | | | | | |
| 80299 | A | Quantitative assay, drug | | | | | |
| 80400 | A | Acth stimulation panel | | | | | |
| 80402 | A | Acth stimulation panel | | | | | |
| 80406 | A | Acth stimulation panel | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 80408 | A | Aldosterone suppression eval | | | | | |
| 80410 | A | Calcitonin stimul panel | | | | | |
| 80412 | A | CRH stimulation panel | | | | | |
| 80414 | A | Testosterone response | | | | | |
| 80415 | A | Estradiol response panel | | | | | |
| 80416 | A | Renin stimulation panel | | | | | |
| 80417 | A | Renin stimulation panel | | | | | |
| 80418 | A | Pituitary evaluation panel | | | | | |
| 80420 | A | Dexamethasone panel | | | | | |
| 80422 | A | Glucagon tolerance panel | | | | | |
| 80424 | A | Glucagon tolerance panel | | | | | |
| 80426 | A | Gonadotropin hormone panel | | | | | |
| 80428 | A | Growth hormone panel | | | | | |
| 80430 | A | Growth hormone panel | | | | | |
| 80432 | A | Insulin suppression panel | | | | | |
| 80434 | A | Insulin tolerance panel | | | | | |
| 80435 | A | Insulin tolerance panel | | | | | |
| 80436 | A | Metyrapone panel | | | | | |
| 80438 | A | TRH stimulation panel | | | | | |
| 80439 | A | TRH stimulation panel | | | | | |
| 80440 | A | TRH stimulation panel | | | | | |
| 80500 | X | Lab pathology consultation | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 80502 | X | Lab pathology consultation | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 81000 | A | Urinalysis, nonauto w/scope | | | | | |
| 81001 | A | Urinalysis, auto w/scope | | | | | |
| 81002 | A | Urinalysis nonauto w/o scope | | | | | |
| 81003 | A | Urinalysis, auto, w/o scope | | | | | |
| 81005 | A | Urinalysis | | | | | |
| 81007 | A | Urine screen for bacteria | | | | | |
| 81015 | A | Microscopic exam of urine | | | | | |
| 81020 | A | Urinalysis, glass test | | | | | |
| 81025 | A | Urine pregnancy test | | | | | |
| 81050 | A | Urinalysis, volume measure | | | | | |
| 81099 | A | Urinalysis test procedure | | | | | |
| 82000 | A | Assay of blood acetaldehyde | | | | | |
| 82003 | A | Assay of acetaminophen | | | | | |
| 82009 | A | Test for acetone/ketones | | | | | |
| 82010 | A | Acetone assay | | | | | |
| 82013 | A | Acetylcholinesterase assay | | | | | |
| 82016 | A | Acylcarnitines, qual | | | | | |
| 82017 | A | Acylcarnitines, quant | | | | | |
| 82024 | A | Assay of acth | | | | | |
| 82030 | A | Assay of adp & amp | | | | | |
| 82040 | A | Assay of serum albumin | | | | | |
| 82042 | A | Assay of urine albumin | | | | | |
| 82043 | A | Microalbumin, quantitative | | | | | |
| 82044 | A | Microalbumin, semiquant | | | | | |
| 82055 | A | Assay of ethanol | | | | | |
| 82075 | A | Assay of breath ethanol | | | | | |
| 82085 | A | Assay of aldolase | | | | | |
| 82088 | A | Assay of aldosterone | | | | | |
| 82101 | A | Assay of urine alkaloids | | | | | |
| 82103 | A | Alpha-1-antitrypsin, total | | | | | |
| 82104 | A | Alpha-1-antitrypsin, pheno | | | | | |
| 82105 | A | Alpha-fetoprotein, serum | | | | | |
| 82106 | A | Alpha-fetoprotein, amniotic | | | | | |
| 82108 | A | Assay of aluminum | | | | | |
| 82120 | A | Amines, vaginal fluid qual | | | | | |
| 82127 | A | Amino acid, single qual | | | | | |
| 82128 | A | Amino acids, mult qual | | | | | |
| 82131 | A | Amino acids, single quant | | | | | |
| 82135 | A | Assay, aminolevulinic acid | | | | | |
| 82136 | A | Amino acids, quant, 2-5 | | | | | |
| 82139 | A | Amino acids, quan, 6 or more | | | | | |
| 82140 | A | Assay of ammonia | | | | | |
| 82143 | A | Amniotic fluid scan | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 82145 | A | Assay of amphetamines | | | | | |
| 82150 | A | Assay of amylase | | | | | |
| 82154 | A | Androstanediol glucuronide | | | | | |
| 82157 | A | Assay of androstenedione | | | | | |
| 82160 | A | Assay of androsterone | | | | | |
| 82163 | A | Assay of angiotensin II | | | | | |
| 82164 | A | Angiotensin I enzyme test | | | | | |
| 82172 | A | Assay of apolipoprotein | | | | | |
| 82175 | A | Assay of arsenic | | | | | |
| 82180 | A | Assay of ascorbic acid | | | | | |
| 82190 | A | Atomic absorption | | | | | |
| 82205 | A | Assay of barbiturates | | | | | |
| 82232 | A | Assay of beta-2 protein | | | | | |
| 82239 | A | Bile acids, total | | | | | |
| 82240 | A | Bile acids, cholylglycine | | | | | |
| 82247 | A | Bilirubin, total | | | | | |
| 82248 | A | Bilirubin, direct | | | | | |
| 82252 | A | Fecal bilirubin test | | | | | |
| 82261 | A | Assay of biotinidase | | | | | |
| 82270 | A | Test for blood, feces | | | | | |
| 82273 | A | Test for blood, other source | | | | | |
| 82274 | A | Assay test for blood, fecal | | | | | |
| 82286 | A | Assay of bradykinin | | | | | |
| 82300 | A | Assay of cadmium | | | | | |
| 82306 | A | Assay of vitamin D | | | | | |
| 82307 | A | Assay of vitamin D | | | | | |
| 82308 | A | Assay of calcitonin | | | | | |
| 82310 | A | Assay of calcium | | | | | |
| 82330 | A | Assay of calcium | | | | | |
| 82331 | A | Calcium infusion test | | | | | |
| 82340 | A | Assay of calcium in urine | | | | | |
| 82355 | A | Calculus analysis, qual | | | | | |
| 82360 | A | Calculus assay, quant | | | | | |
| 82365 | A | Calculus spectroscopy | | | | | |
| 82370 | A | X-ray assay, calculus | | | | | |
| 82373 | A | Assay, c-d transfer measure | | | | | |
| 82374 | A | Assay, blood carbon dioxide | | | | | |
| 82375 | A | Assay, blood carbon monoxide | | | | | |
| 82376 | A | Test for carbon monoxide | | | | | |
| 82378 | A | Carcinoembryonic antigen | | | | | |
| 82379 | A | Assay of carnitine | | | | | |
| 82380 | A | Assay of carotene | | | | | |
| 82382 | A | Assay, urine catecholamines | | | | | |
| 82383 | A | Assay, blood catecholamines | | | | | |
| 82384 | A | Assay, three catecholamines | | | | | |
| 82387 | A | Assay of cathepsin-d | | | | | |
| 82390 | A | Assay of ceruloplasmin | | | | | |
| 82397 | A | Chemiluminescent assay | | | | | |
| 82415 | A | Assay of chloramphenicol | | | | | |
| 82435 | A | Assay of blood chloride | | | | | |
| 82436 | A | Assay of urine chloride | | | | | |
| 82438 | A | Assay, other fluid chlorides | | | | | |
| 82441 | A | Test for chlorohydrocarbons | | | | | |
| 82465 | A | Assay, bld/serum cholesterol | | | | | |
| 82480 | A | Assay, serum cholinesterase | | | | | |
| 82482 | A | Assay, rbc cholinesterase | | | | | |
| 82485 | A | Assay, chondroitin sulfate | | | | | |
| 82486 | A | Gas/liquid chromatography | | | | | |
| 82487 | A | Paper chromatography | | | | | |
| 82488 | A | Paper chromatography | | | | | |
| 82489 | A | Thin layer chromatography | | | | | |
| 82491 | A | Chromotography, quant, sing | | | | | |
| 82492 | A | Chromotography, quant, mult | | | | | |
| 82495 | A | Assay of chromium | | | | | |
| 82507 | A | Assay of citrate | | | | | |
| 82520 | A | Assay of cocaine | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 82523 | A | Collagen crosslinks | | | | | |
| 82525 | A | Assay of copper | | | | | |
| 82528 | A | Assay of corticosterone | | | | | |
| 82530 | A | Cortisol, free | | | | | |
| 82533 | A | Total cortisol | | | | | |
| 82540 | A | Assay of creatine | | | | | |
| 82541 | A | Column chromotography, qual | | | | | |
| 82542 | A | Column chromotography, quant | | | | | |
| 82543 | A | Column chromotograph/isotope | | | | | |
| 82544 | A | Column chromotograph/isotope | | | | | |
| 82550 | A | Assay of ck (cpk) | | | | | |
| 82552 | A | Assay of cpk in blood | | | | | |
| 82553 | A | Creatine, MB fraction | | | | | |
| 82554 | A | Creatine, isoforms | | | | | |
| 82565 | A | Assay of creatinine | | | | | |
| 82570 | A | Assay of urine creatinine | | | | | |
| 82575 | A | Creatinine clearance test | | | | | |
| 82585 | A | Assay of cryofibrinogen | | | | | |
| 82595 | A | Assay of cryoglobulin | | | | | |
| 82600 | A | Assay of cyanide | | | | | |
| 82607 | A | Vitamin B-12 | | | | | |
| 82608 | A | B-12 binding capacity | | | | | |
| 82615 | A | Test for urine cystines | | | | | |
| 82626 | A | Dehydroepiandrosterone | | | | | |
| 82627 | A | Dehydroepiandrosterone | | | | | |
| 82633 | A | Desoxycorticosterone | | | | | |
| 82634 | A | Deoxycortisol | | | | | |
| 82638 | A | Assay of dibucaine number | | | | | |
| 82646 | A | Assay of dihydrocodeinone | | | | | |
| 82649 | A | Assay of dihydromorphinone | | | | | |
| 82651 | A | Assay of dihydrotestosterone | | | | | |
| 82652 | A | Assay of dihydroxyvitamin d | | | | | |
| 82654 | A | Assay of dimethadione | | | | | |
| 82657 | A | Enzyme cell activity | | | | | |
| 82658 | A | Enzyme cell activity, ra | | | | | |
| 82664 | A | Electrophoretic test | | | | | |
| 82666 | A | Assay of epiandrosterone | | | | | |
| 82668 | A | Assay of erythropoietin | | | | | |
| 82670 | A | Assay of estradiol | | | | | |
| 82671 | A | Assay of estrogens | | | | | |
| 82672 | A | Assay of estrogen | | | | | |
| 82677 | A | Assay of estriol | | | | | |
| 82679 | A | Assay of estrone | | | | | |
| 82690 | A | Assay of ethchlorvynol | | | | | |
| 82693 | A | Assay of ethylene glycol | | | | | |
| 82696 | A | Assay of etiocholanolone | | | | | |
| 82705 | A | Fats/lipids, feces, qual | | | | | |
| 82710 | A | Fats/lipids, feces, quant | | | | | |
| 82715 | A | Assay of fecal fat | | | | | |
| 82725 | A | Assay of blood fatty acids | | | | | |
| 82726 | A | Long chain fatty acids | | | | | |
| 82728 | A | Assay of ferritin | | | | | |
| 82731 | A | Assay of fetal fibronectin | | | | | |
| 82735 | A | Assay of fluoride | | | | | |
| 82742 | A | Assay of flurazepam | | | | | |
| 82746 | A | Blood folic acid serum | | | | | |
| 82747 | A | Assay of folic acid, rbc | | | | | |
| 82757 | A | Assay of semen fructose | | | | | |
| 82759 | A | Assay of rbc galactokinase | | | | | |
| 82760 | A | Assay of galactose | | | | | |
| 82775 | A | Assay galactose transferase | | | | | |
| 82776 | A | Galactose transferase test | | | | | |
| 82784 | A | Assay of gammaglobulin igm | | | | | |
| 82785 | A | Assay of gammaglobulin ige | | | | | |
| 82787 | A | Igg 1, 2, 3 or 4, each | | | | | |
| 82800 | A | Blood pH | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 82803 | A | Blood gases: pH, pO2 & pCO2 | | | | | |
| 82805 | A | Blood gases W/02 saturation | | | | | |
| 82810 | A | Blood gases, O2 sat only | | | | | |
| 82820 | A | Hemoglobin-oxygen affinity | | | | | |
| 82926 | A | Assay of gastric acid | | | | | |
| 82928 | A | Assay of gastric acid | | | | | |
| 82938 | A | Gastrin test | | | | | |
| 82941 | A | Assay of gastrin | | | | | |
| 82943 | A | Assay of glucagon | | | | | |
| 82945 | A | Glucose other fluid | | | | | |
| 82946 | A | Glucagon tolerance test | | | | | |
| 82947 | A | Assay, glucose, blood quant | | | | | |
| 82948 | A | Reagent strip/blood glucose | | | | | |
| 82950 | A | Glucose test | | | | | |
| 82951 | A | Glucose tolerance test (GTT) | | | | | |
| 82952 | A | GTT-added samples | | | | | |
| 82953 | A | Glucose-tolbutamide test | | | | | |
| 82955 | A | Assay of g6pd enzyme | | | | | |
| 82960 | A | Test for G6PD enzyme | | | | | |
| 82962 | A | Glucose blood test | | | | | |
| 82963 | A | Assay of glucosidase | | | | | |
| 82965 | A | Assay of gdh enzyme | | | | | |
| 82975 | A | Assay of glutamine | | | | | |
| 82977 | A | Assay of GGT | | | | | |
| 82978 | A | Assay of glutathione | | | | | |
| 82979 | A | Assay, rbc glutathione | | | | | |
| 82980 | A | Assay of glutethimide | | | | | |
| 82985 | A | Glycated protein | | | | | |
| 83001 | A | Gonadotropin (FSH) | | | | | |
| 83002 | A | Gonadotropin (LH) | | | | | |
| 83003 | A | Assay, growth hormone (hgh) | | | | | |
| 83008 | A | Assay of guanosine | | | | | |
| 83010 | A | Assay of haptoglobin, quant | | | | | |
| 83012 | A | Assay of haptoglobins | | | | | |
| 83013 | A | H pylori analysis | | | | | |
| 83014 | A | H pylori drug admin/collect | | | | | |
| 83015 | A | Heavy metal screen | | | | | |
| 83018 | A | Quantitative screen, metals | | | | | |
| 83020 | A | Hemoglobin electrophoresis | | | | | |
| 83021 | A | Hemoglobin chromotography | | | | | |
| 83026 | A | Hemoglobin, copper sulfate | | | | | |
| 83030 | A | Fetal hemoglobin, chemical | | | | | |
| 83033 | A | Fetal hemoglobin assay, qual | | | | | |
| 83036 | A | Glycated hemoglobin test | | | | | |
| 83045 | A | Blood methemoglobin test | | | | | |
| 83050 | A | Blood methemoglobin assay | | | | | |
| 83051 | A | Assay of plasma hemoglobin | | | | | |
| 83055 | A | Blood sulfhemoglobin test | | | | | |
| 83060 | A | Blood sulfhemoglobin assay | | | | | |
| 83065 | A | Assay of hemoglobin heat | | | | | |
| 83068 | A | Hemoglobin stability screen | | | | | |
| 83069 | A | Assay of urine hemoglobin | | | | | |
| 83070 | A | Assay of hemosiderin, qual | | | | | |
| 83071 | A | Assay of hemosiderin, quant | | | | | |
| 83080 | A | Assay of b hexosaminidase | | | | | |
| 83088 | A | Assay of histamine | | | | | |
| 83090 | A | Assay of homocystine | | | | | |
| 83150 | A | Assay of for hva | | | | | |
| 83491 | A | Assay of corticosteroids | | | | | |
| 83497 | A | Assay of 5-hiaa | | | | | |
| 83498 | A | Assay of progesterone | | | | | |
| 83499 | A | Assay of progesterone | | | | | |
| 83500 | A | Assay, free hydroxyproline | | | | | |
| 83505 | A | Assay, total hydroxyproline | | | | | |
| 83516 | A | Immunoassay, nonantibody | | | | | |
| 83518 | A | Immunoassay, dipstick | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 83519 | A | Immunoassay, nonantibody | | | | | |
| 83520 | A | Immunoassay, RIA | | | | | |
| 83525 | A | Assay of insulin | | | | | |
| 83527 | A | Assay of insulin | | | | | |
| 83528 | A | Assay of intrinsic factor | | | | | |
| 83540 | A | Assay of iron | | | | | |
| 83550 | A | Iron binding test | | | | | |
| 83570 | A | Assay of idh enzyme | | | | | |
| 83582 | A | Assay of ketogenic steroids | | | | | |
| 83586 | A | Assay 17- ketosteroids | | | | | |
| 83593 | A | Fractionation, ketosteroids | | | | | |
| 83605 | A | Assay of lactic acid | | | | | |
| 83615 | A | Lactate (LD) (LDH) enzyme | | | | | |
| 83625 | A | Assay of ldh enzymes | | | | | |
| 83632 | A | Placental lactogen | | | | | |
| 83633 | A | Test urine for lactose | | | | | |
| 83634 | A | Assay of urine for lactose | | | | | |
| 83655 | A | Assay of lead | | | | | |
| 83661 | A | L/s ratio, fetal lung | | | | | |
| 83662 | A | Foam stability, fetal lung | | | | | |
| 83663 | A | Fluoro polarize, fetal lung | | | | | |
| 83664 | A | Lamellar bdy, fetal lung | | | | | |
| 83670 | A | Assay of lap enzyme | | | | | |
| 83690 | A | Assay of lipase | | | | | |
| 83715 | A | Assay of blood lipoproteins | | | | | |
| 83716 | A | Assay of blood lipoproteins | | | | | |
| 83718 | A | Assay of lipoprotein | | | | | |
| 83719 | A | Assay of blood lipoprotein | | | | | |
| 83721 | A | Assay of blood lipoprotein | | | | | |
| 83727 | A | Assay of lrh hormone | | | | | |
| 83735 | A | Assay of magnesium | | | | | |
| 83775 | A | Assay of md enzyme | | | | | |
| 83785 | A | Assay of manganese | | | | | |
| 83788 | A | Mass spectrometry qual | | | | | |
| 83789 | A | Mass spectrometry quant | | | | | |
| 83805 | A | Assay of meprobamate | | | | | |
| 83825 | A | Assay of mercury | | | | | |
| 83835 | A | Assay of metanephrines | | | | | |
| 83840 | A | Assay of methadone | | | | | |
| 83857 | A | Assay of methemalbumin | | | | | |
| 83858 | A | Assay of methsuximide | | | | | |
| 83864 | A | Mucopolysaccharides | | | | | |
| 83866 | A | Mucopolysaccharides screen | | | | | |
| 83872 | A | Assay synovial fluid mucin | | | | | |
| 83873 | A | Assay of csf protein | | | | | |
| 83874 | A | Assay of myoglobin | | | | | |
| 83883 | A | Assay, nephelometry not spec | | | | | |
| 83885 | A | Assay of nickel | | | | | |
| 83887 | A | Assay of nicotine | | | | | |
| 83890 | A | Molecule isolate | | | | | |
| 83891 | A | Molecule isolate nucleic | | | | | |
| 83892 | A | Molecular diagnostics | | | | | |
| 83893 | A | Molecule dot/slot/blot | | | | | |
| 83894 | A | Molecule gel electrophor | | | | | |
| 83896 | A | Molecular diagnostics | | | | | |
| 83897 | A | Molecule nucleic transfer | | | | | |
| 83898 | A | Molecule nucleic ampli | | | | | |
| 83901 | A | Molecule nucleic ampli | | | | | |
| 83902 | A | Molecular diagnostics | | | | | |
| 83903 | A | Molecule mutation scan | | | | | |
| 83904 | A | Molecule mutation identify | | | | | |
| 83905 | A | Molecule mutation identify | | | | | |
| 83906 | A | Molecule mutation identify | | | | | |
| 83912 | A | Genetic examination | | | | | |
| 83915 | A | Assay of nucleotidase | | | | | |
| 83916 | A | Oligoclonal bands | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 83918 | A | Organic acids, total, quant | | | | | |
| 83919 | A | Organic acids, qual, each | | | | | |
| 83921 | A | Organic acid, single, quant | | | | | |
| 83925 | A | Assay of opiates | | | | | |
| 83930 | A | Assay of blood osmolality | | | | | |
| 83935 | A | Assay of urine osmolality | | | | | |
| 83937 | A | Assay of osteocalcin | | | | | |
| 83945 | A | Assay of oxalate | | | | | |
| 83950 | A | Oncorprotein, her-2/neu | | | | | |
| 83970 | A | Assay of parathormone | | | | | |
| 83986 | A | Assay of body fluid acidity | | | | | |
| 83992 | A | Assay for phencyclidine | | | | | |
| 84022 | A | Assay of phenothiazine | | | | | |
| 84030 | A | Assay of blood pku | | | | | |
| 84035 | A | Assay of phenylketones | | | | | |
| 84060 | A | Assay acid phosphatase | | | | | |
| 84061 | A | Phosphatase, forensic exam | | | | | |
| 84066 | A | Assay prostate phosphatase | | | | | |
| 84075 | A | Assay alkaline phosphatase | | | | | |
| 84078 | A | Assay alkaline phosphatase | | | | | |
| 84080 | A | Assay alkaline phosphatases | | | | | |
| 84081 | A | Amniotic fluid enzyme test | | | | | |
| 84085 | A | Assay of rbc pg6d enzyme | | | | | |
| 84087 | A | Assay phosphohexose enzymes | | | | | |
| 84100 | A | Assay of phosphorus | | | | | |
| 84105 | A | Assay of urine phosphorus | | | | | |
| 84106 | A | Test for porphobilinogen | | | | | |
| 84110 | A | Assay of porphobilinogen | | | | | |
| 84119 | A | Test urine for porphyrins | | | | | |
| 84120 | A | Assay of urine porphyrins | | | | | |
| 84126 | A | Assay of feces porphyrins | | | | | |
| 84127 | A | Assay of feces porphyrins | | | | | |
| 84132 | A | Assay of serum potassium | | | | | |
| 84133 | A | Assay of urine potassium | | | | | |
| 84134 | A | Assay of prealbumin | | | | | |
| 84135 | A | Assay of pregnanediol | | | | | |
| 84138 | A | Assay of pregnanetriol | | | | | |
| 84140 | A | Assay of pregnenolone | | | | | |
| 84143 | A | Assay of 17-hydroxypregneno | | | | | |
| 84144 | A | Assay of progesterone | | | | | |
| 84146 | A | Assay of prolactin | | | | | |
| 84150 | A | Assay of prostaglandin | | | | | |
| 84152 | A | Assay of psa, complexed | | | | | |
| 84153 | A | Assay of psa, total | | | | | |
| 84154 | A | Assay of psa, free | | | | | |
| 84155 | A | Assay of protein | | | | | |
| 84160 | A | Assay of serum protein | | | | | |
| 84165 | A | Assay of serum proteins | | | | | |
| 84181 | A | Western blot test | | | | | |
| 84182 | A | Protein, western blot test | | | | | |
| 84202 | A | Assay RBC protoporphyrin | | | | | |
| 84203 | A | Test RBC protoporphyrin | | | | | |
| 84206 | A | Assay of proinsulin | | | | | |
| 84207 | A | Assay of vitamin b-6 | | | | | |
| 84210 | A | Assay of pyruvate | | | | | |
| 84220 | A | Assay of pyruvate kinase | | | | | |
| 84228 | A | Assay of quinine | | | | | |
| 84233 | A | Assay of estrogen | | | | | |
| 84234 | A | Assay of progesterone | | | | | |
| 84235 | A | Assay of endocrine hormone | | | | | |
| 84238 | A | Assay, nonendocrine receptor | | | | | |
| 84244 | A | Assay of renin | | | | | |
| 84252 | A | Assay of vitamin b-2 | | | | | |
| 84255 | A | Assay of selenium | | | | | |
| 84260 | A | Assay of serotonin | | | | | |
| 84270 | A | Assay of sex hormone globul | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 84275 | A | Assay of sialic acid | | | | | |
| 84285 | A | Assay of silica | | | | | |
| 84295 | A | Assay of serum sodium | | | | | |
| 84300 | A | Assay of urine sodium | | | | | |
| 84305 | A | Assay of somatomedin | | | | | |
| 84307 | A | Assay of somatostatin | | | | | |
| 84311 | A | Spectrophotometry | | | | | |
| 84315 | A | Body fluid specific gravity | | | | | |
| 84375 | A | Chromatogram assay, sugars | | | | | |
| 84376 | A | Sugars, single, qual | | | | | |
| 84377 | A | Sugars, multiple, qual | | | | | |
| 84378 | A | Sugars single quant | | | | | |
| 84379 | A | Sugars multiple quant | | | | | |
| 84392 | A | Assay of urine sulfate | | | | | |
| 84402 | A | Assay of testosterone | | | | | |
| 84403 | A | Assay of total testosterone | | | | | |
| 84425 | A | Assay of vitamin b-1 | | | | | |
| 84430 | A | Assay of thiocyanate | | | | | |
| 84432 | A | Assay of thyroglobulin | | | | | |
| 84436 | A | Assay of total thyroxine | | | | | |
| 84437 | A | Assay of neonatal thyroxine | | | | | |
| 84439 | A | Assay of free thyroxine | | | | | |
| 84442 | A | Assay of thyroid activity | | | | | |
| 84443 | A | Assay thyroid stim hormone | | | | | |
| 84445 | A | Assay of tsi | | | | | |
| 84446 | A | Assay of vitamin e | | | | | |
| 84449 | A | Assay of transcortin | | | | | |
| 84450 | A | Transferase (AST) (SGOT) | | | | | |
| 84460 | A | Alanine amino (ALT) (SGPT) | | | | | |
| 84466 | A | Assay of transferrin | | | | | |
| 84478 | A | Assay of triglycerides | | | | | |
| 84479 | A | Assay of thyroid (t3 or t4) | | | | | |
| 84480 | A | Assay, triiodothyronine (t3) | | | | | |
| 84481 | A | Free assay (FT-3) | | | | | |
| 84482 | A | Reverse assay (t3) | | | | | |
| 84484 | A | Assay of troponin, quant | | | | | |
| 84485 | A | Assay duodenal fluid trypsin | | | | | |
| 84488 | A | Test feces for trypsin | | | | | |
| 84490 | A | Assay of feces for trypsin | | | | | |
| 84510 | A | Assay of tyrosine | | | | | |
| 84512 | A | Assay of troponin, qual | | | | | |
| 84520 | A | Assay of urea nitrogen | | | | | |
| 84525 | A | Urea nitrogen semi-quant | | | | | |
| 84540 | A | Assay of urine/urea-n | | | | | |
| 84545 | A | Urea-N clearance test | | | | | |
| 84550 | A | Assay of blood/uric acid | | | | | |
| 84560 | A | Assay of urine/uric acid | | | | | |
| 84577 | A | Assay of feces/urobilinogen | | | | | |
| 84578 | A | Test urine urobilinogen | | | | | |
| 84580 | A | Assay of urine urobilinogen | | | | | |
| 84583 | A | Assay of urine urobilinogen | | | | | |
| 84585 | A | Assay of urine vma | | | | | |
| 84586 | A | Assay of vip | | | | | |
| 84588 | A | Assay of vasopressin | | | | | |
| 84590 | A | Assay of vitamin a | | | | | |
| 84591 | A | Assay of nos vitamin | | | | | |
| 84597 | A | Assay of vitamin k | | | | | |
| 84600 | A | Assay of volatiles | | | | | |
| 84620 | A | Xylose tolerance test | | | | | |
| 84630 | A | Assay of zinc | | | | | |
| 84681 | A | Assay of c-peptide | | | | | |
| 84702 | A | Chorionic gonadotropin test | | | | | |
| 84703 | A | Chorionic gonadotropin assay | | | | | |
| 84830 | A | Ovulation tests | | | | | |
| 84999 | A | Clinical chemistry test | | | | | |
| 85002 | A | Bleeding time test | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 85007 | A | Differential WBC count | | | | | |
| 85008 | A | Nondifferential WBC count | | | | | |
| 85009 | A | Differential WBC count | | | | | |
| 85013 | A | Hematocrit | | | | | |
| 85014 | A | Hematocrit | | | | | |
| 85018 | A | Hemoglobin | | | | | |
| 85021 | A | Automated hemogram | | | | | |
| 85022 | A | Automated hemogram | | | | | |
| 85023 | A | Automated hemogram | | | | | |
| 85024 | A | Automated hemogram | | | | | |
| 85025 | A | Automated hemogram | | | | | |
| 85027 | A | Automated hemogram | | | | | |
| 85031 | A | Manual hemogram, cbc | | | | | |
| 85041 | A | Red blood cell (RBC) count | | | | | |
| 85044 | A | Reticulocyte count | | | | | |
| 85045 | A | Reticulocyte count | | | | | |
| 85046 | A | Reticyte/hgb concentrate | | | | | |
| 85048 | A | White blood cell (WBC) count | | | | | |
| 85060 | X | Blood smear interpretation | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 85097 | X | Bone marrow interpretation | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 85130 | A | Chromogenic substrate assay | | | | | |
| 85170 | A | Blood clot retraction | | | | | |
| 85175 | A | Blood clot lysis time | | | | | |
| 85210 | A | Blood clot factor II test | | | | | |
| 85220 | A | Blood clot factor V test | | | | | |
| 85230 | A | Blood clot factor VII test | | | | | |
| 85240 | A | Blood clot factor VIII test | | | | | |
| 85244 | A | Blood clot factor VIII test | | | | | |
| 85245 | A | Blood clot factor VIII test | | | | | |
| 85246 | A | Blood clot factor VIII test | | | | | |
| 85247 | A | Blood clot factor VIII test | | | | | |
| 85250 | A | Blood clot factor IX test | | | | | |
| 85260 | A | Blood clot factor X test | | | | | |
| 85270 | A | Blood clot factor XI test | | | | | |
| 85280 | A | Blood clot factor XII test | | | | | |
| 85290 | A | Blood clot factor XIII test | | | | | |
| 85291 | A | Blood clot factor XIII test | | | | | |
| 85292 | A | Blood clot factor assay | | | | | |
| 85293 | A | Blood clot factor assay | | | | | |
| 85300 | A | Antithrombin III test | | | | | |
| 85301 | A | Antithrombin III test | | | | | |
| 85302 | A | Blood clot inhibitor antigen | | | | | |
| 85303 | A | Blood clot inhibitor test | | | | | |
| 85305 | A | Blood clot inhibitor assay | | | | | |
| 85306 | A | Blood clot inhibitor test | | | | | |
| 85307 | A | Assay activated protein c | | | | | |
| 85335 | A | Factor inhibitor test | | | | | |
| 85337 | A | Thrombomodulin | | | | | |
| 85345 | A | Coagulation time | | | | | |
| 85347 | A | Coagulation time | | | | | |
| 85348 | A | Coagulation time | | | | | |
| 85360 | A | Euglobulin lysis | | | | | |
| 85362 | A | Fibrin degradation products | | | | | |
| 85366 | A | Fibrinogen test | | | | | |
| 85370 | A | Fibrinogen test | | | | | |
| 85378 | A | Fibrin degradation | | | | | |
| 85379 | A | Fibrin degradation | | | | | |
| 85384 | A | Fibrinogen | | | | | |
| 85385 | A | Fibrinogen | | | | | |
| 85390 | A | Fibrinolysins screen | | | | | |
| 85400 | A | Fibrinolytic plasmin | | | | | |
| 85410 | A | Fibrinolytic antiplasmin | | | | | |
| 85415 | A | Fibrinolytic plasminogen | | | | | |
| 85420 | A | Fibrinolytic plasminogen | | | | | |
| 85421 | A | Fibrinolytic plasminogen | | | | | |
| 85441 | A | Heinz bodies, direct | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 85445 | A | Heinz bodies, induced | | | | | |
| 85460 | A | Hemoglobin, fetal | | | | | |
| 85461 | A | Hemoglobin, fetal | | | | | |
| 85475 | A | Hemolysin | | | | | |
| 85520 | A | Heparin assay | | | | | |
| 85525 | A | Heparin | | | | | |
| 85530 | A | Heparin-protamine tolerance | | | | | |
| 85536 | A | Iron stain peripheral blood | | | | | |
| 85540 | A | Wbc alkaline phosphatase | | | | | |
| 85547 | A | RBC mechanical fragility | | | | | |
| 85549 | A | Muramidase | | | | | |
| 85555 | A | RBC osmotic fragility | | | | | |
| 85557 | A | RBC osmotic fragility | | | | | |
| 85576 | A | Blood platelet aggregation | | | | | |
| 85585 | A | Blood platelet estimation | | | | | |
| 85590 | A | Platelet count, manual | | | | | |
| 85595 | A | Platelet count, automated | | | | | |
| 85597 | A | Platelet neutralization | | | | | |
| 85610 | A | Prothrombin time | | | | | |
| 85611 | A | Prothrombin test | | | | | |
| 85612 | A | Viper venom prothrombin time | | | | | |
| 85613 | A | Russell viper venom, diluted | | | | | |
| 85635 | A | Reptilase test | | | | | |
| 85651 | A | Rbc sed rate, nonautomated | | | | | |
| 85652 | A | Rbc sed rate, automated | | | | | |
| 85660 | A | RBC sickle cell test | | | | | |
| 85670 | A | Thrombin time, plasma | | | | | |
| 85675 | A | Thrombin time, titer | | | | | |
| 85705 | A | Thromboplastin inhibition | | | | | |
| 85730 | A | Thromboplastin time, partial | | | | | |
| 85732 | A | Thromboplastin time, partial | | | | | |
| 85810 | A | Blood viscosity examination | | | | | |
| 85999 | A | Hematology procedure | | | | | |
| 86000 | A | Agglutinins, febrile | | | | | |
| 86001 | A | Allergen specific igg | | | | | |
| 86003 | A | Allergen specific IgE | | | | | |
| 86005 | A | Allergen specific IgE | | | | | |
| 86021 | A | WBC antibody identification | | | | | |
| 86022 | A | Platelet antibodies | | | | | |
| 86023 | A | Immunoglobulin assay | | | | | |
| 86038 | A | Antinuclear antibodies | | | | | |
| 86039 | A | Antinuclear antibodies (ANA) | | | | | |
| 86060 | A | Antistreptolysin o, titer | | | | | |
| 86063 | A | Antistreptolysin o, screen | | | | | |
| 86077 | X | Physician blood bank service | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 86078 | X | Physician blood bank service | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 86079 | X | Physician blood bank service | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 86140 | A | C-reactive protein | | | | | |
| 86141 | A | C-reactive protein, hs | | | | | |
| 86146 | A | Glycoprotein antibody | | | | | |
| 86147 | A | Cardiolipin antibody | | | | | |
| 86148 | A | Phospholipid antibody | | | | | |
| 86155 | A | Chemotaxis assay | | | | | |
| 86156 | A | Cold agglutinin, screen | | | | | |
| 86157 | A | Cold agglutinin, titer | | | | | |
| 86160 | A | Complement, antigen | | | | | |
| 86161 | A | Complement/function activity | | | | | |
| 86162 | A | Complement, total (CH50) | | | | | |
| 86171 | A | Complement fixation, each | | | | | |
| 86185 | A | Counterimmunoelectrophoresis | | | | | |
| 86215 | A | Deoxyribonuclease, antibody | | | | | |
| 86225 | A | DNA antibody | | | | | |
| 86226 | A | DNA antibody, single strand | | | | | |
| 86235 | A | Nuclear antigen antibody | | | | | |
| 86243 | A | Fc receptor | | | | | |
| 86255 | A | Fluorescent antibody, screen | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 86256 | A | Fluorescent antibody, titer | | | | | |
| 86277 | A | Growth hormone antibody | | | | | |
| 86280 | A | Hemagglutination inhibition | | | | | |
| 86294 | A | Immunoassay, tumor qual | | | | | |
| 86300 | A | Immunoassay, tumor ca 15-3 | | | | | |
| 86301 | A | Immunoassay, tumor ca 19-9 | | | | | |
| 86304 | A | Immunoassay, tumor, ca 125 | | | | | |
| 86308 | A | Heterophile antibodies | | | | | |
| 86309 | A | Heterophile antibodies | | | | | |
| 86310 | A | Heterophile antibodies | | | | | |
| 86316 | A | Immunoassay, tumor other | | | | | |
| 86317 | A | Immunoassay,infectious agent | | | | | |
| 86318 | A | Immunoassay,infectious agent | | | | | |
| 86320 | A | Serum immunoelectrophoresis | | | | | |
| 86325 | A | Other immunoelectrophoresis | | | | | |
| 86327 | A | Immunoelectrophoresis assay | | | | | |
| 86329 | A | Immunodiffusion | | | | | |
| 86331 | A | Immunodiffusion ouchterlony | | | | | |
| 86332 | A | Immune complex assay | | | | | |
| 86334 | A | Immunofixation procedure | | | | | |
| 86336 | A | Inhibin A | | | | | |
| 86337 | A | Insulin antibodies | | | | | |
| 86340 | A | Intrinsic factor antibody | | | | | |
| 86341 | A | Islet cell antibody | | | | | |
| 86343 | A | Leukocyte histamine release | | | | | |
| 86344 | A | Leukocyte phagocytosis | | | | | |
| 86353 | A | Lymphocyte transformation | | | | | |
| 86359 | A | T cells, total count | | | | | |
| 86360 | A | T cell, absolute count/ratio | | | | | |
| 86361 | A | T cell, absolute count | | | | | |
| 86376 | A | Microsomal antibody | | | | | |
| 86378 | A | Migration inhibitory factor | | | | | |
| 86382 | A | Neutralization test, viral | | | | | |
| 86384 | A | Nitroblue tetrazolium dye | | | | | |
| 86403 | A | Particle agglutination test | | | | | |
| 86406 | A | Particle agglutination test | | | | | |
| 86430 | A | Rheumatoid factor test | | | | | |
| 86431 | A | Rheumatoid factor, quant | | | | | |
| 86485 | X | Skin test, candida | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86490 | X | Coccidioidomycosis skin test | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86510 | X | Histoplasmosis skin test | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86580 | X | TB intradermal test | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86585 | X | TB tine test | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86586 | X | Skin test, unlisted | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86590 | A | Streptokinase, antibody | | | | | |
| 86592 | A | Blood serology, qualitative | | | | | |
| 86593 | A | Blood serology, quantitative | | | | | |
| 86602 | A | Antinomyces antibody | | | | | |
| 86603 | A | Adenovirus antibody | | | | | |
| 86606 | A | Aspergillus antibody | | | | | |
| 86609 | A | Bacterium antibody | | | | | |
| 86611 | A | Bartonella antibody | | | | | |
| 86612 | A | Blastomyces antibody | | | | | |
| 86615 | A | Bordetella antibody | | | | | |
| 86617 | A | Lyme disease antibody | | | | | |
| 86618 | A | Lyme disease antibody | | | | | |
| 86619 | A | Borrelia antibody | | | | | |
| 86622 | A | Brucella antibody | | | | | |
| 86625 | A | Campylobacter antibody | | | | | |
| 86628 | A | Candida antibody | | | | | |
| 86631 | A | Chlamydia antibody | | | | | |
| 86632 | A | Chlamydia igm antibody | | | | | |
| 86635 | A | Coccidioides antibody | | | | | |
| 86638 | A | Q fever antibody | | | | | |
| 86641 | A | Cryptococcus antibody | | | | | |
| 86644 | A | CMV antibody | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 86645 | A | CMV antibody, IgM | | | | | |
| 86648 | A | Diphtheria antibody | | | | | |
| 86651 | A | Encephalitis antibody | | | | | |
| 86652 | A | Encephalitis antibody | | | | | |
| 86653 | A | Encephalitis antibody | | | | | |
| 86654 | A | Encephalitis antibody | | | | | |
| 86658 | A | Enterovirus antibody | | | | | |
| 86663 | A | Epstein-barr antibody | | | | | |
| 86664 | A | Epstein-barr antibody | | | | | |
| 86665 | A | Epstein-barr antibody | | | | | |
| 86666 | A | Ehrlichia antibody | | | | | |
| 86668 | A | Francisella tularensis | | | | | |
| 86671 | A | Fungus antibody | | | | | |
| 86674 | A | Giardia lamblia antibody | | | | | |
| 86677 | A | Helicobacter pylori | | | | | |
| 86682 | A | Helminth antibody | | | | | |
| 86684 | A | Hemophilus influenza | | | | | |
| 86687 | A | Htlv-i antibody | | | | | |
| 86688 | A | Htlv-ii antibody | | | | | |
| 86689 | A | HTLV/HIV confirmatory test | | | | | |
| 86692 | A | Hepatitis, delta agent | | | | | |
| 86694 | A | Herpes simplex test | | | | | |
| 86695 | A | Herpes simplex test | | | | | |
| 86696 | A | Herpes simplex type 2 | | | | | |
| 86698 | A | Histoplasma | | | | | |
| 86701 | A | HIV-1 | | | | | |
| 86702 | A | HIV-2 | | | | | |
| 86703 | A | HIV-1/HIV-2, single assay | | | | | |
| 86704 | A | Hep b core antibody, total | | | | | |
| 86705 | A | Hep b core antibody, igm | | | | | |
| 86706 | A | Hep b surface antibody | | | | | |
| 86707 | A | Hep be antibody | | | | | |
| 86708 | A | Hep a antibody, total | | | | | |
| 86709 | A | Hep a antibody, igm | | | | | |
| 86710 | A | Influenza virus antibody | | | | | |
| 86713 | A | Legionella antibody | | | | | |
| 86717 | A | Leishmania antibody | | | | | |
| 86720 | A | Leptospira antibody | | | | | |
| 86723 | A | Listeria monocytogenes ab | | | | | |
| 86727 | A | Lymph choriomeningitis ab | | | | | |
| 86729 | A | Lympho venereum antibody | | | | | |
| 86732 | A | Mucormycosis antibody | | | | | |
| 86735 | A | Mumps antibody | | | | | |
| 86738 | A | Mycoplasma antibody | | | | | |
| 86741 | A | Neisseria meningitidis | | | | | |
| 86744 | A | Nocardia antibody | | | | | |
| 86747 | A | Parvovirus antibody | | | | | |
| 86750 | A | Malaria antibody | | | | | |
| 86753 | A | Protozoa antibody nos | | | | | |
| 86756 | A | Respiratory virus antibody | | | | | |
| 86757 | A | Rickettsia antibody | | | | | |
| 86759 | A | Rotavirus antibody | | | | | |
| 86762 | A | Rubella antibody | | | | | |
| 86765 | A | Rubeola antibody | | | | | |
| 86768 | A | Salmonella antibody | | | | | |
| 86771 | A | Shigella antibody | | | | | |
| 86774 | A | Tetanus antibody | | | | | |
| 86777 | A | Toxoplasma antibody | | | | | |
| 86778 | A | Toxoplasma antibody, igm | | | | | |
| 86781 | A | Treponema pallidum, confirm | | | | | |
| 86784 | A | Trichinella antibody | | | | | |
| 86787 | A | Varicella-zoster antibody | | | | | |
| 86790 | A | Virus antibody nos | | | | | |
| 86793 | A | Yersinia antibody | | | | | |
| 86800 | A | Thyroglobulin antibody | | | | | |
| 86803 | A | Hepatitis c ab test | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 86804 | A | Hep c ab test, confirm | | | | | |
| 86805 | A | Lymphocytotoxicity assay | | | | | |
| 86806 | A | Lymphocytotoxicity assay | | | | | |
| 86807 | A | Cytotoxic antibody screening | | | | | |
| 86808 | A | Cytotoxic antibody screening | | | | | |
| 86812 | A | HLA typing, A, B, or C | | | | | |
| 86813 | A | HLA typing, A, B, or C | | | | | |
| 86816 | A | HLA typing, DR/DQ | | | | | |
| 86817 | A | HLA typing, DR/DQ | | | | | |
| 86821 | A | Lymphocyte culture, mixed | | | | | |
| 86822 | A | Lymphocyte culture, primed | | | | | |
| 86849 | A | Immunology procedure | | | | | |
| 86850 | X | RBC antibody screen | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86860 | X | RBC antibody elution | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86870 | X | RBC antibody identification | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86880 | X | Coombs test | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86885 | X | Coombs test | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86886 | X | Coombs test | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86890 | X | Autologous blood process | 0347 | 0.98 | $50.97 | $12.74 | $10.19 |
| 86891 | X | Autologous blood, op salvage | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86900 | X | Blood typing, ABO | 0341 | 0.16 | $8.32 | $3.08 | $1.66 |
| 86901 | X | Blood typing, Rh (D) | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86903 | X | Blood typing, antigen screen | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86904 | X | Blood typing, patient serum | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86905 | X | Blood typing, RBC antigens | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86906 | X | Blood typing, Rh phenotype | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86910 | E | Blood typing, paternity test | | | | | |
| 86911 | E | Blood typing, antigen system | | | | | |
| 86915 | X | Bone marrow/stem cell prep | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86920 | X | Compatibility test | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86921 | X | Compatibility test | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86922 | X | Compatibility test | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86927 | X | Plasma, fresh frozen | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86930 | X | Frozen blood prep | 0347 | 0.98 | $50.97 | $12.74 | $10.19 |
| 86931 | X | Frozen blood thaw | 0347 | 0.98 | $50.97 | $12.74 | $10.19 |
| 86932 | X | Frozen blood freeze/thaw | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86940 | A | Hemolysins/agglutinins, auto | | | | | |
| 86941 | A | Hemolysins/agglutinins | | | | | |
| 86945 | X | Blood product/irradiation | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86950 | X | Leukacyte transfusion | 0347 | 0.98 | $50.97 | $12.74 | $10.19 |
| 86965 | X | Pooling blood platelets | 0346 | 0.42 | $21.84 | $5.46 | $4.37 |
| 86970 | X | RBC pretreatment | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86971 | X | RBC pretreatment | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86972 | X | RBC pretreatment | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86975 | X | RBC pretreatment, serum | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86976 | X | RBC pretreatment, serum | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86977 | X | RBC pretreatment, serum | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86978 | X | RBC pretreatment, serum | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 86985 | X | Split blood or products | 0347 | 0.98 | $50.97 | $12.74 | $10.19 |
| 86999 | X | Transfusion procedure | 0345 | 0.19 | $9.88 | $3.06 | $1.98 |
| 87001 | A | Small animal inoculation | | | | | |
| 87003 | A | Small animal inoculation | | | | | |
| 87015 | A | Specimen concentration | | | | | |
| 87040 | A | Blood culture for bacteria | | | | | |
| 87045 | A | Feces culture, bacteria | | | | | |
| 87046 | A | Stool cultr, bacteria, each | | | | | |
| 87070 | A | Culture, bacteria, other | | | | | |
| 87071 | A | Culture bacteri aerobic othr | | | | | |
| 87073 | A | Culture bacteria anaerobic | | | | | |
| 87075 | A | Culture bacteria anaerobic | | | | | |
| 87076 | A | Culture anaerobe ident, each | | | | | |
| 87077 | A | Culture aerobic identify | | | | | |
| 87081 | A | Culture screen only | | | | | |
| 87084 | A | Culture of specimen by kit | | | | | |
| 87086 | A | Urine culture/colony count | | | | | |
| 87088 | A | Urine bacteria culture | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 87101 | A | Skin fungi culture | | | | | |
| 87102 | A | Fungus isolation culture | | | | | |
| 87103 | A | Blood fungus culture | | | | | |
| 87106 | A | Fungi identification, yeast | | | | | |
| 87107 | A | Fungi identification, mold | | | | | |
| 87109 | A | Mycoplasma | | | | | |
| 87110 | A | Chlamydia culture | | | | | |
| 87116 | A | Mycobacteria culture | | | | | |
| 87118 | A | Mycobacteric identification | | | | | |
| 87140 | A | Cultur type immunofluoresc | | | | | |
| 87143 | A | Culture typing, glc/hplc | | | | | |
| 87147 | A | Culture type, immunologic | | | | | |
| 87149 | A | Culture type, nucleic acid | | | | | |
| 87152 | A | Culture type pulse field gel | | | | | |
| 87158 | A | Culture typing, added method | | | | | |
| 87164 | A | Dark field examination | | | | | |
| 87166 | A | Dark field examination | | | | | |
| 87168 | A | Macroscopic exam arthropod | | | | | |
| 87169 | A | Macacroscopic exam parasite | | | | | |
| 87172 | A | Pinworm exam | | | | | |
| 87176 | A | Tissue homogenization, cultr | | | | | |
| 87177 | A | Ova and parasites smears | | | | | |
| 87181 | A | Microbe susceptible, diffuse | | | | | |
| 87184 | A | Microbe susceptible, disk | | | | | |
| 87185 | A | Microbe susceptible, enzyme | | | | | |
| 87186 | A | Microbe susceptible, mic | | | | | |
| 87187 | A | Microbe susceptible, mlc | | | | | |
| 87188 | A | Microbe suscept, macrobroth | | | | | |
| 87190 | A | Microbe suscept, mycobacteri | | | | | |
| 87197 | A | Bactericidal level, serum | | | | | |
| 87198 | A | Cytomegalovirus antibody dfa | | | | | |
| 87199 | A | Enterovirus antibody, dfa | | | | | |
| 87205 | A | Smear, gram stain | | | | | |
| 87206 | A | Smear, fluorescent/acid stai | | | | | |
| 87207 | A | Smear, special stain | | | | | |
| 87210 | A | Smear, wet mount, saline/ink | | | | | |
| 87220 | A | Tissue exam for fungi | | | | | |
| 87230 | A | Assay, toxin or antitoxin | | | | | |
| 87250 | A | Virus inoculate, eggs/animal | | | | | |
| 87252 | A | Virus inoculation, tissue | | | | | |
| 87253 | A | Virus inoculate tissue, addl | | | | | |
| 87254 | A | Virus inoculation, shell via | | | | | |
| 87260 | A | Adenovirus ag, if | | | | | |
| 87265 | A | Pertussis ag, if | | | | | |
| 87270 | A | Chlamydia trachomatis ag, if | | | | | |
| 87272 | A | Cryptosporidum/gardia ag, if | | | | | |
| 87273 | A | Herpes simplex 2, ag, if | | | | | |
| 87274 | A | Herpes simplex 1, ag, if | | | | | |
| 87275 | A | Influenza b, ag, if | | | | | |
| 87276 | A | Influenza a, ag, if | | | | | |
| 87277 | A | Legionella micdadei, ag, if | | | | | |
| 87278 | A | Legion pneumophilia ag, if | | | | | |
| 87279 | A | Parainfluenza, ag, if | | | | | |
| 87280 | A | Respiratory syncytial ag, if | | | | | |
| 87281 | A | Pneumocystis carinii, ag, if | | | | | |
| 87283 | A | Rubeola, ag, if | | | | | |
| 87285 | A | Treponema pallidum, ag, if | | | | | |
| 87290 | A | Varicella zoster, ag, if | | | | | |
| 87299 | A | Antibody detection, nos, if | | | | | |
| 87300 | A | Ag detection, polyval, if | | | | | |
| 87301 | A | Adenovirus ag, eia | | | | | |
| 87320 | A | Chylmd trach ag, eia | | | | | |
| 87324 | A | Clostridium ag, eia | | | | | |
| 87327 | A | Cryptococcus neoform ag, eia | | | | | |
| 87328 | A | Cryptospor ag, eia | | | | | |
| 87332 | A | Cytomegalovirus ag, eia | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 87335 | A | E coli 0157 ag, eia | | | | | |
| 87336 | A | Entamoeb hist dispr, ag, eia | | | | | |
| 87337 | A | Entamoeb hist group, ag, eia | | | | | |
| 87338 | A | Hpylori, stool, eia | | | | | |
| 87339 | A | H pylori ag, eia | | | | | |
| 87340 | A | Hepatitis b surface ag, eia | | | | | |
| 87341 | A | Hepatitis b surface, ag, eia | | | | | |
| 87350 | A | Hepatitis be ag, eia | | | | | |
| 87380 | A | Hepatitis delta ag, eia | | | | | |
| 87385 | A | Histoplasma capsul ag, eia | | | | | |
| 87390 | A | Hiv-1 ag, eia | | | | | |
| 87391 | A | Hiv-2 ag, eia | | | | | |
| 87400 | A | Influenza a/b, ag, eia | | | | | |
| 87420 | A | Resp syncytial ag, eia | | | | | |
| 87425 | A | Rotavirus ag, eia | | | | | |
| 87427 | A | Shiga-like toxin ag, eia | | | | | |
| 87430 | A | Strep a ag, eia | | | | | |
| 87449 | A | Ag detect nos, eia, mult | | | | | |
| 87450 | A | Ag detect nos, eia, single | | | | | |
| 87451 | A | Ag detect polyval, eia, mult | | | | | |
| 87470 | A | Bartonella, dna, dir probe | | | | | |
| 87471 | A | Bartonella, dna, amp probe | | | | | |
| 87472 | A | Bartonella, dna, quant | | | | | |
| 87475 | A | Lyme dis, dna, dir probe | | | | | |
| 87476 | A | Lyme dis, dna, amp probe | | | | | |
| 87477 | A | Lyme dis, dna, quant | | | | | |
| 87480 | A | Candida, dna, dir probe | | | | | |
| 87481 | A | Candida, dna, amp probe | | | | | |
| 87482 | A | Candida, dna, quant | | | | | |
| 87485 | A | Chylmd pneum, dna, dir probe | | | | | |
| 87486 | A | Chylmd pneum, dna, amp probe | | | | | |
| 87487 | A | Chylmd pneum, dna, quant | | | | | |
| 87490 | A | Chylmd trach, dna, dir probe | | | | | |
| 87491 | A | Chylmd trach, dna, amp probe | | | | | |
| 87492 | A | Chylmd trach, dna, quant | | | | | |
| 87495 | A | Cytomeg, dna, dir probe | | | | | |
| 87496 | A | Cytomeg, dna, amp probe | | | | | |
| 87497 | A | Cytomeg, dna, quant | | | | | |
| 87510 | A | Gardner vag, dna, dir probe | | | | | |
| 87511 | A | Gardner vag, dna, amp probe | | | | | |
| 87512 | A | Gardner vag, dna, quant | | | | | |
| 87515 | A | Hepatitis b, dna, dir probe | | | | | |
| 87516 | A | Hepatitis b, dna, amp probe | | | | | |
| 87517 | A | Hepatitis b, dna, quant | | | | | |
| 87520 | A | Hepatitis c, rna, dir probe | | | | | |
| 87521 | A | Hepatitis c, rna, amp probe | | | | | |
| 87522 | A | Hepatitis c, rna, quant | | | | | |
| 87525 | A | Hepatitis g, dna, dir probe | | | | | |
| 87526 | A | Hepatitis g, dna, amp probe | | | | | |
| 87527 | A | Hepatitis g, dna, quant | | | | | |
| 87528 | A | Hsv, dna, dir probe | | | | | |
| 87529 | A | Hsv, dna, amp probe | | | | | |
| 87530 | A | Hsv, dna, quant | | | | | |
| 87531 | A | Hhv-6, dna, dir probe | | | | | |
| 87532 | A | Hhv-6, dna, amp probe | | | | | |
| 87533 | A | Hhv-6, dna, quant | | | | | |
| 87534 | A | Hiv-1, dna, dir probe | | | | | |
| 87535 | A | Hiv-1, dna, amp probe | | | | | |
| 87536 | A | Hiv-1, dna, quant | | | | | |
| 87537 | A | Hiv-2, dna, dir probe | | | | | |
| 87538 | A | Hiv-2, dna, amp probe | | | | | |
| 87539 | A | Hiv-2, dna, quant | | | | | |
| 87540 | A | Legion pneumo, dna, dir prob | | | | | |
| 87541 | A | Legion pneumo, dna, amp prob | | | | | |
| 87542 | A | Legion pneumo, dna, quant | | | | | |
| 87550 | A | Mycobacteria, dna, dir probe | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 87551 | A | Mycobacteria, dna, amp probe | | | | | |
| 87552 | A | Mycobacteria, dna, quant | | | | | |
| 87555 | A | M.tuberculo, dna, dir probe | | | | | |
| 87556 | A | M.tuberculo, dna, amp probe | | | | | |
| 87557 | A | M.tuberculo, dna, quant | | | | | |
| 87560 | A | M.avium-intra, dna, dir prob | | | | | |
| 87561 | A | M.avium-intra, dna, amp prob | | | | | |
| 87562 | A | M.avium-intra, dna, quant | | | | | |
| 87580 | A | M.pneumon, dna, dir probe | | | | | |
| 87581 | A | M.pneumon, dna, amp probe | | | | | |
| 87582 | A | M.pneumon, dna, quant | | | | | |
| 87590 | A | N.gonorrhoeae, dna, dir prob | | | | | |
| 87591 | A | N.gonorrhoeae, dna, amp prob | | | | | |
| 87592 | A | N.gonorrhoeae, dna, quant | | | | | |
| 87620 | A | Hpv, dna, dir probe | | | | | |
| 87621 | A | Hpv, dna, amp probe | | | | | |
| 87622 | A | Hpv, dna, quant | | | | | |
| 87650 | A | Strep a, dna, dir probe | | | | | |
| 87651 | A | Strep a, dna, amp probe | | | | | |
| 87652 | A | Strep a, dna, quant | | | | | |
| 87797 | A | Detect agent nos, dna, dir | | | | | |
| 87798 | A | Detect agent nos, dna, amp | | | | | |
| 87799 | A | Detect agent nos, dna, quant | | | | | |
| 87800 | A | Detect agnt mult, dna, direc | | | | | |
| 87801 | A | Detect agnt mult, dna, ampli | | | | | |
| 87802 | A | Strep b assay w/optic | | | | | |
| 87803 | A | Clostridium toxin a w/optic | | | | | |
| 87804 | A | Influenza assay w/optic | | | | | |
| 87810 | A | Chylmd trach assay w/optic | | | | | |
| 87850 | A | N. gonorrhoeae assay w/optic | | | | | |
| 87880 | A | Strep a assay w/optic | | | | | |
| 87899 | A | Agent nos assay w/optic | | | | | |
| 87901 | A | Genotype, dna, hiv reverse t | | | | | |
| 87902 | A | Genotype, dna, hepatitis C | | | | | |
| 87903 | A | Phenotype, dna hiv w/culture | | | | | |
| 87904 | A | Phenotype, dna hiv w/clt add | | | | | |
| 87999 | A | Microbiology procedure | | | | | |
| 88000 | E | Autopsy (necropsy), gross | | | | | |
| 88005 | E | Autopsy (necropsy), gross | | | | | |
| 88007 | E | Autopsy (necropsy), gross | | | | | |
| 88012 | E | Autopsy (necropsy), gross | | | | | |
| 88014 | E | Autopsy (necropsy), gross | | | | | |
| 88016 | E | Autopsy (necropsy), gross | | | | | |
| 88020 | E | Autopsy (necropsy), complete | | | | | |
| 88025 | E | Autopsy (necropsy), complete | | | | | |
| 88027 | E | Autopsy (necropsy), complete | | | | | |
| 88028 | E | Autopsy (necropsy), complete | | | | | |
| 88029 | E | Autopsy (necropsy), complete | | | | | |
| 88036 | E | Limited autopsy | | | | | |
| 88037 | E | Limited autopsy | | | | | |
| 88040 | E | Forensic autopsy (necropsy) | | | | | |
| 88045 | E | Coroner's autopsy (necropsy) | | | | | |
| 88099 | E | Necropsy (autopsy) procedure | | | | | |
| 88104 | X | Cytopathology, fluids | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88106 | X | Cytopathology, fluids | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88107 | X | Cytopathology, fluids | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88108 | X | Cytopath, concentrate tech | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88125 | X | Forensic cytopathology | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88130 | A | Sex chromatin identification | | | | | |
| 88140 | A | Sex chromatin identification | | | | | |
| 88141 | N | Cytopath, c/v, interpret | | | | | |
| 88142 | A | Cytopath, c/v, thin layer | | | | | |
| 88143 | A | Cytopath, c/v, thin lyr redo | | | | | |
| 88144 | A | Cytopath, c/v, thin lyr redo | | | | | |
| 88145 | A | Cytopath, c/v, thin lyr sel | | | | | |
| 88147 | A | Cytopath, c/v, automated | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 88148 | A | Cytopath, c/v, auto rescreen | | | | | |
| 88150 | A | Cytopath, c/v, manual | | | | | |
| 88152 | A | Cytopath, c/v, auto redo | | | | | |
| 88153 | A | Cytopath, c/v, redo | | | | | |
| 88154 | A | Cytopath, c/v, select | | | | | |
| 88155 | A | Cytopath, c/v, index add-on | | | | | |
| 88160 | X | Cytopath smear, other source | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88161 | X | Cytopath smear, other source | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88162 | X | Cytopath smear, other source | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88164 | A | Cytopath tbs, c/v, manual | | | | | |
| 88165 | A | Cytopath tbs, c/v, redo | | | | | |
| 88166 | A | Cytopath tbs, c/v, auto redo | | | | | |
| 88167 | A | Cytopath tbs, c/v, select | | | | | |
| 88172 | X | Cytopathology eval of fna | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88173 | X | Cytopath eval, fna, report | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88180 | X | Cell marker study | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88182 | X | Cell marker study | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88199 | A | Cytopathology procedure | | | | | |
| 88230 | A | Tissue culture, lymphocyte | | | | | |
| 88233 | A | Tissue culture, skin/biopsy | | | | | |
| 88235 | A | Tissue culture, placenta | | | | | |
| 88237 | A | Tissue culture, bone marrow | | | | | |
| 88239 | A | Tissue culture, tumor | | | | | |
| 88240 | A | Cell cryopreserve/storage | | | | | |
| 88241 | A | Frozen cell preparation | | | | | |
| 88245 | A | Chromosome analysis, 20-25 | | | | | |
| 88248 | A | Chromosome analysis, 50-100 | | | | | |
| 88249 | A | Chromosome analysis, 100 | | | | | |
| 88261 | A | Chromosome analysis, 5 | | | | | |
| 88262 | A | Chromosome analysis, 15-20 | | | | | |
| 88263 | A | Chromosome analysis, 45 | | | | | |
| 88264 | A | Chromosome analysis, 20-25 | | | | | |
| 88267 | A | Chromosome analys, placenta | | | | | |
| 88269 | A | Chromosome analys, amniotic | | | | | |
| 88271 | A | Cytogenetics, dna probe | | | | | |
| 88272 | A | Cytogenetics, 3-5 | | | | | |
| 88273 | A | Cytogenetics, 10-30 | | | | | |
| 88274 | A | Cytogenetics, 25-99 | | | | | |
| 88275 | A | Cytogenetics, 100-300 | | | | | |
| 88280 | A | Chromosome karyotype study | | | | | |
| 88283 | A | Chromosome banding study | | | | | |
| 88285 | A | Chromosome count, additional | | | | | |
| 88289 | A | Chromosome study, additional | | | | | |
| 88291 | A | Cyto/molecular report | | | | | |
| 88299 | X | Cytogenetic study | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88300 | X | Surgical path, gross | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88302 | X | Tissue exam by pathologist | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88304 | X | Tissue exam by pathologist | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88305 | X | Tissue exam by pathologist | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88307 | X | Tissue exam by pathologist | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88309 | X | Tissue exam by pathologist | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88311 | X | Decalcify tissue | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88312 | X | Special stains | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88313 | X | Special stains | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88314 | X | Histochemical stain | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88318 | X | Chemical histochemistry | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88319 | X | Enzyme histochemistry | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88321 | X | Microslide consultation | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88323 | X | Microslide consultation | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88325 | X | Comprehensive review of data | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88329 | X | Path consult introp | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88331 | X | Path consult intraop, 1 bloc | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88332 | X | Path consult intraop, addl | 0342 | 0.23 | $11.96 | $5.88 | $2.39 |
| 88342 | X | Immunocytochemistry | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88346 | X | Immunofluorescent study | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88347 | X | Immunofluorescent study | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 88348 | X | Electron microscopy | 0661 | 3.46 | $179.95 | $98.97 | $35.99 |
| 88349 | X | Scanning electron microscopy | 0661 | 3.46 | $179.95 | $98.97 | $35.99 |
| 88355 | X | Analysis, skeletal muscle | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88356 | X | Analysis, nerve | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88358 | X | Analysis, tumor | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88362 | X | Nerve teasing preparations | 0343 | 0.47 | $24.44 | $13.20 | $4.89 |
| 88365 | X | Tissue hybridization | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 88371 | A | Protein, western blot tissue | | | | | |
| 88372 | A | Protein analysis w/probe | | | | | |
| 88380 | A | Microdissection | | | | | |
| 88399 | A | Surgical pathology procedure | | | | | |
| 88400 | A | Bilirubin total transcut | | | | | |
| 89050 | A | Body fluid cell count | | | | | |
| 89051 | A | Body fluid cell count | | | | | |
| 89060 | A | Exam synovial fluid crystals | | | | | |
| 89100 | X | Sample intestinal contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89105 | X | Sample intestinal contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89125 | A | Specimen fat stain | | | | | |
| 89130 | X | Sample stomach contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89132 | X | Sample stomach contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89135 | X | Sample stomach contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89136 | X | Sample stomach contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89140 | X | Sample stomach contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89141 | X | Sample stomach contents | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 89160 | A | Exam feces for meat fibers | | | | | |
| 89190 | A | Nasal smear for eosinophils | | | | | |
| 89250 | X | Fertilization of oocyte | 0348 | 0.83 | $43.17 | | $8.63 |
| 89251 | X | Culture oocyte w/embryos | 0348 | 0.83 | $43.17 | | $8.63 |
| 89252 | X | Assist oocyte fertilization | 0348 | 0.83 | $43.17 | | $8.63 |
| 89253 | X | Embryo hatching | 0348 | 0.83 | $43.17 | | $8.63 |
| 89254 | X | Oocyte identification | 0348 | 0.83 | $43.17 | | $8.63 |
| 89255 | X | Prepare embryo for transfer | 0348 | 0.83 | $43.17 | | $8.63 |
| 89256 | X | Prepare cryopreserved embryo | 0348 | 0.83 | $43.17 | | $8.63 |
| 89257 | X | Sperm identification | 0348 | 0.83 | $43.17 | | $8.63 |
| 89258 | X | Cryopreservation, embryo | 0348 | 0.83 | $43.17 | | $8.63 |
| 89259 | X | Cryopreservation, sperm | 0348 | 0.83 | $43.17 | | $8.63 |
| 89260 | X | Sperm isolation, simple | 0348 | 0.83 | $43.17 | | $8.63 |
| 89261 | X | Sperm isolation, complex | 0348 | 0.83 | $43.17 | | $8.63 |
| 89264 | X | Identify sperm tissue | 0348 | 0.83 | $43.17 | | $8.63 |
| 89300 | A | Semen analysis | | | | | |
| 89310 | A | Semen analysis | | | | | |
| 89320 | A | Semen analysis | | | | | |
| 89321 | A | Semen analysis | | | | | |
| 89325 | A | Sperm antibody test | | | | | |
| 89329 | A | Sperm evaluation test | | | | | |
| 89330 | A | Evaluation, cervical mucus | | | | | |
| 89350 | X | Sputum specimen collection | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 89355 | A | Exam feces for starch | | | | | |
| 89360 | X | Collect sweat for test | 0344 | 0.66 | $34.33 | $18.54 | $6.87 |
| 89365 | A | Water load test | | | | | |
| 89399 | A | Pathology lab procedure | | | | | |
| 90281 | E | Human ig, im | | | | | |
| 90283 | E | Human ig, iv | | | | | |
| 90287 | E | Botulinum antitoxin | | | | | |
| 90288 | E | Botulism ig, iv | | | | | |
| 90291 | E | Cmv ig, iv | | | | | |
| 90296 | N | Diphtheria antitoxin | | | | | |
| 90371 | K | Hep b ig, im | 0356 | 0.69 | $35.89 | | $7.18 |
| 90375 | K | Rabies ig, im/sc | 0356 | 0.69 | $35.89 | | $7.18 |
| 90376 | K | Rabies ig, heat treated | 0356 | 0.69 | $35.89 | | $7.18 |
| 90378 | N | Rsv ig, im, 50mg | | | | | |
| 90379 | N | Rsv ig, iv | | | | | |
| 90384 | E | Rh ig, full-dose, im | | | | | |
| 90385 | N | Rh ig, minidose, im | | | | | |
| 90386 | E | Rh ig, iv | | | | | |
| 90389 | N | Tetanus ig, im | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 90393 | N | Vaccina ig, im | | | | | |
| 90396 | N | Varicella-zoster ig, im | | | | | |
| 90399 | E | Immune globulin | | | | | |
| 90471 | N | Immunization admin | | | | | |
| 90472 | N | Immunization admin, each add | | | | | |
| 90473 | E | Immune admin oral/nasal | | | | | |
| 90474 | E | Immune admin oral/nasal addl | | | | | |
| 90476 | N | Adenovirus vaccine, type 4 | | | | | |
| 90477 | N | Adenovirus vaccine, type 7 | | | | | |
| 90581 | K | Anthrax vaccine, sc | 0356 | 0.69 | $35.89 | | $7.18 |
| 90585 | N | Bcg vaccine, percut | | | | | |
| 90586 | N | Bcg vaccine, intravesical | | | | | |
| 90632 | N | Hep a vaccine, adult im | | | | | |
| 90633 | N | Hep a vacc, ped/adol, 2 dose | | | | | |
| 90634 | N | Hep a vacc, ped/adol, 3 dose | | | | | |
| 90636 | K | Hep a/hep b vacc, adult im | 0355 | 0.24 | $12.48 | | $2.50 |
| 90645 | N | Hib vaccine, hboc, im | | | | | |
| 90646 | N | Hib vaccine, prp-d, im | | | | | |
| 90647 | N | Hib vaccine, prp-omp, im | | | | | |
| 90648 | N | Hib vaccine, prp-t, im | | | | | |
| 90657 | K | Flu vaccine, 6-35 mo, im | 0354 | 0.09 | $4.68 | | |
| 90658 | K | Flu vaccine, 3 yrs, im | 0354 | 0.09 | $4.68 | | |
| 90659 | K | Flu vaccine, whole, im | 0354 | 0.09 | $4.68 | | |
| 90660 | E | Flu vaccine, nasal | | | | | |
| 90665 | N | Lyme disease vaccine, im | | | | | |
| 90669 | E | Pneumococcal vacc, ped<5 | | | | | |
| 90675 | N | Rabies vaccine, im | | | | | |
| 90676 | N | Rabies vaccine, id | | | | | |
| 90680 | N | Rotovirus vaccine, oral | | | | | |
| 90690 | N | Typhoid vaccine, oral | | | | | |
| 90691 | N | Typhoid vaccine, im | | | | | |
| 90692 | N | Typhoid vaccine, h-p, sc/id | | | | | |
| 90693 | K | Typhoid vaccine, akd, sc | 0356 | 0.69 | $35.89 | | $7.18 |
| 90700 | N | Dtap vaccine, im | | | | | |
| 90701 | N | Dtp vaccine, im | | | | | |
| 90702 | N | Dt vaccine < 7, im | | | | | |
| 90703 | N | Tetanus vaccine, im | | | | | |
| 90704 | N | Mumps vaccine, sc | | | | | |
| 90705 | N | Measles vaccine, sc | | | | | |
| 90706 | N | Rubella vaccine, sc | | | | | |
| 90707 | N | Mmr vaccine, sc | | | | | |
| 90708 | N | Measles-rubella vaccine, sc | | | | | |
| 90709 | K | Rubella & mumps vaccine, sc | 0356 | 0.69 | $35.89 | | $7.18 |
| 90710 | N | Mmrv vaccine, sc | | | | | |
| 90712 | N | Oral poliovirus vaccine | | | | | |
| 90713 | N | Poliovirus, ipv, sc | | | | | |
| 90716 | N | Chicken pox vaccine, sc | | | | | |
| 90717 | N | Yellow fever vaccine, sc | | | | | |
| 90718 | N | Td vaccine > 7, im | | | | | |
| 90719 | N | Diphtheria vaccine, im | | | | | |
| 90720 | N | Dtp/hib vaccine, im | | | | | |
| 90721 | N | Dtap/hib vaccine, im | | | | | |
| 90723 | K | Dtap-hep b-ipv vaccine, im | 0356 | 0.69 | $35.89 | | $7.18 |
| 90725 | N | Cholera vaccine, injectable | | | | | |
| 90727 | N | Plague vaccine, im | | | | | |
| 90732 | K | Pneumococcal vaccine | 0354 | 0.09 | $4.68 | | |
| 90733 | N | Meningococcal vaccine, sc | | | | | |
| 90735 | N | Encephalitis vaccine, sc | | | | | |
| 90740 | K | Hepb vacc, ill pat 3 dose im | 0356 | 0.69 | $35.89 | | $7.18 |
| 90743 | K | Hep b vacc, adol, 2 dose, im | 0356 | 0.69 | $35.89 | | $7.18 |
| 90744 | K | Hepb vacc ped/adol 3 dose im | 0356 | 0.69 | $35.89 | | $7.18 |
| 90746 | K | Hep b vaccine, adult, im | 0356 | 0.69 | $35.89 | | $7.18 |
| 90747 | K | Hepb vacc, ill pat 4 dose im | 0356 | 0.69 | $35.89 | | $7.18 |
| 90748 | K | Hep b/hib vaccine, im | 0355 | 0.24 | $12.48 | | $2.50 |
| 90749 | N | Vaccine toxoid | | | | | |
| 90780 | E | IV infusion therapy, 1 hour | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 90781 | E | IV infusion, additional hour | | | | | |
| 90782 | X | Injection, sc/im | 0353 | 0.43 | $22.36 | | $4.47 |
| 90783 | X | Injection, ia | 0359 | 0.83 | $43.17 | | $8.63 |
| 90784 | X | Injection, iv | 0359 | 0.83 | $43.17 | | $8.63 |
| 90788 | X | Injection of antibiotic | 0359 | 0.83 | $43.17 | | $8.63 |
| 90799 | X | Ther/prophylactic/dx inject | 0352 | 0.14 | $7.28 | | $1.46 |
| 90801 | S | Psy dx interview | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90802 | S | Intac psy dx interview | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90804 | S | Psytx, office, 20-30 min | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90805 | S | Psytx, off, 20-30 min w/e&m | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90806 | S | Psytx, off, 45-50 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90807 | S | Psytx, off, 45-50 min w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90808 | S | Psytx, office, 75-80 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90809 | S | Psytx, off, 75-80, w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90810 | S | Intac psytx, off, 20-30 min | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90811 | S | Intac psytx, 20-30, w/e&m | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90812 | S | Intac psytx, off, 45-50 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90813 | S | Intac psytx, 45-50 min w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90814 | S | Intac psytx, off, 75-80 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90815 | S | Intac psytx, 75-80 w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90816 | S | Psytx, hosp, 20-30 min | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90817 | S | Psytx, hosp, 20-30 min w/e&m | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90818 | S | Psytx, hosp, 45-50 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90819 | S | Psytx, hosp, 45-50 min w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90821 | S | Psytx, hosp, 75-80 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90822 | S | Psytx, hosp, 75-80 min w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90823 | S | Intac psytx, hosp, 20-30 min | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90824 | S | Intac psytx, hsp 20-30 w/e&m | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90826 | S | Intac psytx, hosp, 45-50 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90827 | S | Intac psytx, hsp 45-50 w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90828 | S | Intac psytx, hosp, 75-80 min | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90829 | S | Intac psytx, hsp 75-80 w/e&m | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90845 | S | Psychoanalysis | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90846 | S | Family psytx w/o patient | 0324 | 2.71 | $140.94 | | $28.19 |
| 90847 | S | Family psytx w/patient | 0324 | 2.71 | $140.94 | | $28.19 |
| 90849 | S | Multiple family group psytx | 0325 | 1.55 | $80.61 | $18.27 | $16.12 |
| 90853 | S | Group psychotherapy | 0325 | 1.55 | $80.61 | $18.27 | $16.12 |
| 90857 | S | Intac group psytx | 0325 | 1.55 | $80.61 | $18.27 | $16.12 |
| 90862 | X | Medication management | 0374 | 1.20 | $62.41 | | $12.48 |
| 90865 | S | Narcosynthesis | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90870 | S | Electroconvulsive therapy | 0320 | 4.46 | $231.96 | $80.06 | $46.39 |
| 90871 | S | Electroconvulsive therapy | 0320 | 4.46 | $231.96 | $80.06 | $46.39 |
| 90875 | E | Psychophysiological therapy | | | | | |
| 90876 | E | Psychophysiological therapy | | | | | |
| 90880 | S | Hypnotherapy | 0323 | 1.95 | $101.42 | $21.26 | $20.28 |
| 90882 | E | Environmental manipulation | | | | | |
| 90885 | N | Psy evaluation of records | | | | | |
| 90887 | N | Consultation with family | | | | | |
| 90889 | N | Preparation of report | | | | | |
| 90899 | S | Psychiatric service/therapy | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 90901 | S | Biofeedback train, any meth | 0321 | 1.27 | $66.05 | $21.78 | $13.21 |
| 90911 | S | Biofeedback peri/uro/rectal | 0321 | 1.27 | $66.05 | $21.78 | $13.21 |
| 90918 | A | ESRD related services, month | | | | | |
| 90919 | A | ESRD related services, month | | | | | |
| 90920 | A | ESRD related services, month | | | | | |
| 90921 | A | ESRD related services, month | | | | | |
| 90922 | A | ESRD related services, day | | | | | |
| 90923 | A | Esrd related services, day | | | | | |
| 90924 | A | Esrd related services, day | | | | | |
| 90925 | A | Esrd related services, day | | | | | |
| 90935 | S | Hemodialysis, one evaluation | 0170 | 4.79 | $249.12 | | $49.82 |
| 90937 | E | Hemodialysis, repeated eval | | | | | |
| 90939 | N | Hemodialysis study, transcut | | | | | |
| 90940 | N | Hemodialysis access study | | | | | |
| 90945 | S | Dialysis, one evaluation | 0170 | 4.79 | $249.12 | | $49.82 |
| 90947 | E | Dialysis, repeated eval | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 90989 | E | Dialysis training, complete | | | | | |
| 90993 | E | Dialysis training, incompl | | | | | |
| 90997 | E | Hemoperfusion | | | | | |
| 90999 | E | Dialysis procedure | | | | | |
| 91000 | X | Esophageal intubation | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91010 | X | Esophagus motility study | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91011 | X | Esophagus motility study | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91012 | X | Esophagus motility study | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91020 | X | Gastric motility | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91030 | X | Acid perfusion of esophagus | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91032 | X | Esophagus, acid reflux test | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91033 | X | Prolonged acid reflux test | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91052 | X | Gastric analysis test | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 91055 | X | Gastric intubation for smear | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 91060 | X | Gastric saline load test | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 91065 | X | Breath hydrogen test | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 91100 | X | Pass intestine bleeding tube | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 91105 | X | Gastric intubation treatment | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 91122 | T | Anal pressure record | 0156 | 3.10 | $161.23 | $48.37 | $32.25 |
| 91123 | N | Irrigate fecal impaction | | | | | |
| 91132 | X | Electrogastrography | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 91133 | X | Electrogastrography w/test | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 91299 | X | Gastroenterology procedure | 0360 | 1.65 | $85.81 | $42.91 | $17.16 |
| 92002 | V | Eye exam, new patient | 0601 | 1.04 | $54.09 | | $10.82 |
| 92004 | V | Eye exam, new patient | 0602 | 1.57 | $81.65 | | $16.33 |
| 92012 | V | Eye exam established pat | 0600 | 0.91 | $47.33 | | $9.47 |
| 92014 | V | Eye exam & treatment | 0602 | 1.57 | $81.65 | | $16.33 |
| 92015 | E | Refraction | | | | | |
| 92018 | T | New eye exam & treatment | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 92019 | S | Eye exam & treatment | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92020 | S | Special eye evaluation | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92060 | S | Special eye evaluation | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92065 | S | Orthoptic/pleoptic training | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92070 | N | Fitting of contact lens | | | | | |
| 92081 | S | Visual field examination(s) | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92082 | S | Visual field examination(s) | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92083 | S | Visual field examination(s) | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92100 | N | Serial tonometry exam(s) | | | | | |
| 92120 | S | Tonography & eye evaluation | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92130 | S | Water provocation tonography | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92135 | S | Opthalmic dx imaging | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92136 | S | Ophthalmic biometry | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92140 | S | Glaucoma provocative tests | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92225 | S | Special eye exam, initial | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92226 | S | Special eye exam, subsequent | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92230 | T | Eye exam with photos | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 92235 | T | Eye exam with photos | 0699 | 2.37 | $123.26 | $55.47 | $24.65 |
| 92240 | S | Icg angiography | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 92250 | S | Eye exam with photos | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92260 | S | Ophthalmoscopy/dynamometry | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92265 | S | Eye muscle evaluation | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 92270 | S | Electro-oculography | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92275 | S | Electroretinography | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 92283 | S | Color vision examination | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92284 | S | Dark adaptation eye exam | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92285 | S | Eye photography | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92286 | S | Internal eye photography | 0698 | 1.01 | $52.53 | $20.49 | $10.51 |
| 92287 | S | Internal eye photography | 0231 | 2.24 | $116.50 | $52.43 | $23.30 |
| 92310 | E | Contact lens fitting | | | | | |
| 92311 | X | Contact lens fitting | 0362 | 2.83 | $147.19 | | $29.44 |
| 92312 | X | Contact lens fitting | 0362 | 2.83 | $147.19 | | $29.44 |
| 92313 | X | Contact lens fitting | 0362 | 2.83 | $147.19 | | $29.44 |
| 92314 | E | Prescription of contact lens | | | | | |
| 92315 | X | Prescription of contact lens | 0362 | 2.83 | $147.19 | | $29.44 |
| 92316 | X | Prescription of contact lens | 0362 | 2.83 | $147.19 | | $29.44 |
| 92317 | X | Prescription of contact lens | 0362 | 2.83 | $147.19 | | $29.44 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 92325 | X | Modification of contact lens | 0362 | 2.83 | $147.19 | | $29.44 |
| 92326 | X | Replacement of contact lens | 0362 | 2.83 | $147.19 | | $29.44 |
| 92330 | S | Fitting of artificial eye | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92335 | N | Fitting of artificial eye | | | | | |
| 92340 | E | Fitting of spectacles | | | | | |
| 92341 | E | Fitting of spectacles | | | | | |
| 92342 | E | Fitting of spectacles | | | | | |
| 92352 | X | Special spectacles fitting | 0362 | 2.83 | $147.19 | | $29.44 |
| 92353 | X | Special spectacles fitting | 0362 | 2.83 | $147.19 | | $29.44 |
| 92354 | X | Special spectacles fitting | 0362 | 2.83 | $147.19 | | $29.44 |
| 92355 | X | Special spectacles fitting | 0362 | 2.83 | $147.19 | | $29.44 |
| 92358 | X | Eye prosthesis service | 0362 | 2.83 | $147.19 | | $29.44 |
| 92370 | E | Repair & adjust spectacles | | | | | |
| 92371 | X | Repair & adjust spectacles | 0362 | 2.83 | $147.19 | | $29.44 |
| 92390 | E | Supply of spectacles | | | | | |
| 92391 | E | Supply of contact lenses | | | | | |
| 92392 | E | Supply of low vision aids | | | | | |
| 92393 | E | Supply of artificial eye | | | | | |
| 92395 | E | Supply of spectacles | | | | | |
| 92396 | E | Supply of contact lenses | | | | | |
| 92499 | S | Eye service or procedure | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| 92502 | T | Ear and throat examination | 0251 | 1.92 | $99.86 | | $19.97 |
| 92504 | N | Ear microscopy examination | | | | | |
| 92506 | A | Speech/hearing evaluation | | | | | |
| 92507 | A | Speech/hearing therapy | | | | | |
| 92508 | A | Speech/hearing therapy | | | | | |
| 92510 | A | Rehab for ear implant | | | | | |
| 92511 | T | Nasopharyngoscopy | 0071 | 1.01 | $52.53 | $14.18 | $10.51 |
| 92512 | X | Nasal function studies | 0363 | 0.76 | $39.53 | $14.63 | $7.91 |
| 92516 | X | Facial nerve function test | 0660 | 1.65 | $85.81 | $31.75 | $17.16 |
| 92520 | X | Laryngeal function studies | 0660 | 1.65 | $85.81 | $31.75 | $17.16 |
| 92525 | A | Oral function evaluation | | | | | |
| 92526 | A | Oral function therapy | | | | | |
| 92531 | N | Spontaneous nystagmus study | | | | | |
| 92532 | N | Positional nystagmus test | | | | | |
| 92533 | N | Caloric vestibular test | | | | | |
| 92534 | N | Optokinetic nystagmus test | | | | | |
| 92541 | X | Spontaneous nystagmus test | 0363 | 0.76 | $39.53 | $14.63 | $7.91 |
| 92542 | X | Positional nystagmus test | 0363 | 0.76 | $39.53 | $14.63 | $7.91 |
| 92543 | X | Caloric vestibular test | 0660 | 1.65 | $85.81 | $31.75 | $17.16 |
| 92544 | X | Optokinetic nystagmus test | 0363 | 0.76 | $39.53 | $14.63 | $7.91 |
| 92545 | X | Oscillating tracking test | 0363 | 0.76 | $39.53 | $14.63 | $7.91 |
| 92546 | X | Sinusoidal rotational test | 0660 | 1.65 | $85.81 | $31.75 | $17.16 |
| 92547 | X | Supplemental electrical test | 0363 | 0.76 | $39.53 | $14.63 | $7.91 |
| 92548 | X | Posturography | 0660 | 1.65 | $85.81 | $31.75 | $17.16 |
| 92551 | E | Pure tone hearing test, air | | | | | |
| 92552 | X | Pure tone audiometry, air | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92553 | X | Audiometry, air & bone | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92555 | X | Speech threshold audiometry | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92556 | X | Speech audiometry, complete | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92557 | X | Comprehensive hearing test | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92559 | E | Group audiometric testing | | | | | |
| 92560 | E | Bekesy audiometry, screen | | | | | |
| 92561 | X | Bekesy audiometry, diagnosis | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92562 | X | Loudness balance test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92563 | X | Tone decay hearing test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92564 | X | Sisi hearing test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92565 | X | Stenger test, pure tone | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92567 | X | Tympanometry | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92568 | X | Acoustic reflex testing | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92569 | X | Acoustic reflex decay test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92571 | X | Filtered speech hearing test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92572 | X | Staggered spondaic word test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92573 | X | Lombard test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92575 | X | Sensorineural acuity test | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92576 | X | Synthetic sentence test | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 92577 | X | Stenger test, speech | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92579 | X | Visual audiometry (vra) | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92582 | X | Conditioning play audiometry | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92583 | X | Select picture audiometry | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92584 | X | Electrocochleography | 0660 | 1.65 | $85.81 | $31.75 | $17.16 |
| 92585 | S | Auditor evoke potent, compre | 0216 | 3.06 | $159.15 | $71.62 | $31.83 |
| 92586 | S | Auditor evoke potent, limit | 0218 | 1.06 | $55.13 | | $11.03 |
| 92587 | X | Evoked auditory test | 0363 | 0.76 | $39.53 | $14.63 | $7.91 |
| 92588 | X | Evoked auditory test | 0660 | 1.65 | $85.81 | $31.75 | $17.16 |
| 92589 | X | Auditory function test(s) | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92590 | E | Hearing aid exam, one ear | | | | | |
| 92591 | E | Hearing aid exam, both ears | | | | | |
| 92592 | E | Hearing aid check, one ear | | | | | |
| 92593 | E | Hearing aid check, both ears | | | | | |
| 92594 | E | Electro hearng aid test, one | | | | | |
| 92595 | E | Electro hearng aid tst, both | | | | | |
| 92596 | X | Ear protector evaluation | 0365 | 1.31 | $68.13 | $20.16 | $13.63 |
| 92597 | E | Voice Prosthetic Evaluation | | | | | |
| 92598 | E | Voice Prosthetic Modification | | | | | |
| 92599 | X | ENT procedure/service | 0364 | 0.45 | $23.40 | $9.13 | $4.68 |
| 92950 | S | Heart/lung resuscitation cpr | 0094 | 2.68 | $139.38 | $47.39 | $27.88 |
| 92953 | S | Temporary external pacing | 0094 | 2.68 | $139.38 | $47.39 | $27.88 |
| 92960 | S | Cardioversion electric, ext | 0679 | 5.70 | $296.45 | $100.79 | $59.29 |
| 92961 | S | Cardioversion, electric, int | 0679 | 5.70 | $296.45 | $100.79 | $59.29 |
| 92970 | C | Cardioassist, internal | | | | | |
| 92971 | C | Cardioassist, external | | | | | |
| 92973 | T | Percut coronary thrombectomy | 0973 | | $250.00 | | $50.00 |
| 92974 | T | Cath place, cardio brachytx | 0981 | | $2,250.00 | | $450.00 |
| 92975 | C | Dissolve clot, heart vessel | | | | | |
| 92977 | T | Dissolve clot, heart vessel | 0676 | 4.62 | $240.28 | $64.88 | $48.06 |
| 92978 | S | Intravasc us, heart add-on | 0670 | 14.78 | $768.69 | $276.73 | $153.74 |
| 92979 | S | Intravasc us, heart add-on | 0670 | 14.78 | $768.69 | $276.73 | $153.74 |
| 92980 | T | Insert intracoronary stent | 0104 | 72.72 | $3,782.09 | | $756.42 |
| 92981 | T | Insert intracoronary stent | 0104 | 72.72 | $3,782.09 | | $756.42 |
| 92982 | T | Coronary artery dilation | 0083 | 47.83 | $2,487.59 | | $497.52 |
| 92984 | T | Coronary artery dilation | 0083 | 47.83 | $2,487.59 | | $497.52 |
| 92986 | T | Revision of aortic valve | 0083 | 47.83 | $2,487.59 | | $497.52 |
| 92987 | T | Revision of mitral valve | 0083 | 47.83 | $2,487.59 | | $497.52 |
| 92990 | T | Revision of pulmonary valve | 0083 | 47.83 | $2,487.59 | | $497.52 |
| 92992 | C | Revision of heart chamber | | | | | |
| 92993 | C | Revision of heart chamber | | | | | |
| 92995 | T | Coronary atherectomy | 0082 | 75.42 | $3,922.52 | $1,137.53 | $784.50 |
| 92996 | T | Coronary atherectomy add-on | 0082 | 75.42 | $3,922.52 | $1,137.53 | $784.50 |
| 92997 | T | Pul art balloon repr, percut | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 92998 | T | Pul art balloon repr, percut | 0081 | 22.69 | $1,180.08 | | $236.02 |
| 93000 | E | Electrocardiogram, complete | | | | | |
| 93005 | S | Electrocardiogram, tracing | 0099 | 0.38 | $19.76 | | $3.95 |
| 93010 | A | Electrocardiogram report | | | | | |
| 93012 | N | Transmission of ecg | | | | | |
| 93014 | E | Report on transmitted ecg | | | | | |
| 93015 | E | Cardiovascular stress test | | | | | |
| 93016 | E | Cardiovascular stress test | | | | | |
| 93017 | X | Cardiovascular stress test | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| 93018 | E | Cardiovascular stress test | | | | | |
| 93024 | X | Cardiac drug stress test | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| 93025 | X | Microvolt t-wave assess | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| 93040 | E | Rhythm ECG with report | | | | | |
| 93041 | S | Rhythm ECG, tracing | 0099 | 0.38 | $19.76 | | $3.95 |
| 93042 | E | Rhythm ECG, report | | | | | |
| 93224 | E | ECG monitor/report, 24 hrs | | | | | |
| 93225 | X | ECG monitor/record, 24 hrs | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| 93226 | X | ECG monitor/report, 24 hrs | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| 93227 | E | ECG monitor/review, 24 hrs | | | | | |
| 93230 | E | ECG monitor/report, 24 hrs | | | | | |
| 93231 | X | Ecg monitor/record, 24 hrs | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| 93232 | X | ECG monitor/report, 24 hrs | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 93233 | E | ECG monitor/review, 24 hrs | | | | | |
| 93235 | E | ECG monitor/report, 24 hrs | | | | | |
| 93236 | X | ECG monitor/report, 24 hrs | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| 93237 | E | ECG monitor/review, 24 hrs | | | | | |
| 93268 | E | ECG record/review | | | | | |
| 93270 | X | ECG recording | 0097 | 0.84 | $43.69 | $23.80 | $8.74 |
| 93271 | X | Ecg/monitoring and analysis | 0097 | 0.84 | $43.69 | $23.80 | $8.74 |
| 93272 | E | Ecg/review, interpret only | | | | | |
| 93278 | S | ECG/signal-averaged | 0099 | 0.38 | $19.76 | | $3.95 |
| 93303 | S | Echo transthoracic | 0269 | 3.42 | $177.87 | $92.49 | $35.57 |
| 93304 | S | Echo transthoracic | 0697 | 1.51 | $78.53 | $40.84 | $15.71 |
| 93307 | S | Echo exam of heart | 0269 | 3.42 | $177.87 | $92.49 | $35.57 |
| 93308 | S | Echo exam of heart | 0697 | 1.51 | $78.53 | $40.84 | $15.71 |
| 93312 | S | Echo transesophageal | 0270 | 5.65 | $293.85 | $146.79 | $58.77 |
| 93313 | S | Echo transesophageal | 0270 | 5.65 | $293.85 | $146.79 | $58.77 |
| 93314 | N | Echo transesophageal | | | | | |
| 93315 | S | Echo transesophageal | 0270 | 5.65 | $293.85 | $146.79 | $58.77 |
| 93316 | S | Echo transesophageal | 0270 | 5.65 | $293.85 | $146.79 | $58.77 |
| 93317 | N | Echo transesophageal | | | | | |
| 93318 | S | Echo transesophageal intraop | 0270 | 5.65 | $293.85 | $146.79 | $58.77 |
| 93320 | S | Doppler echo exam, heart | 0671 | 1.68 | $87.38 | $45.44 | $17.48 |
| 93321 | S | Doppler echo exam, heart | 0697 | 1.51 | $78.53 | $40.84 | $15.71 |
| 93325 | S | Doppler color flow add-on | 0697 | 1.51 | $78.53 | $40.84 | $15.71 |
| 93350 | S | Echo transthoracic | 0269 | 3.42 | $177.87 | $92.49 | $35.57 |
| 93501 | T | Right heart catheterization | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93503 | T | Insert/place heart catheter | 0103 | 11.26 | $585.62 | $210.82 | $117.12 |
| 93505 | T | Biopsy of heart lining | 0103 | 11.26 | $585.62 | $210.82 | $117.12 |
| 93508 | T | Cath placement, angiography | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93510 | T | Left heart catheterization | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93511 | T | Left heart catheterization | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93514 | T | Left heart catheterization | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93524 | T | Left heart catheterization | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93526 | T | Rt & Lt heart catheters | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93527 | T | Rt & Lt heart catheters | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93528 | T | Rt & Lt heart catheters | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93529 | T | Rt&lt heart catheterization | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93530 | T | Rt heart cath, congenital | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93531 | T | R & l heart cath, congenital | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93532 | T | R & l heart cath, congenital | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93533 | T | R & l heart cath, congenital | 0080 | 35.64 | $1,853.60 | $838.92 | $370.72 |
| 93539 | N | Injection, cardiac cath | | | | | |
| 93540 | N | Injection, cardiac cath | | | | | |
| 93541 | N | Injection for lung angiogram | | | | | |
| 93542 | N | Injection for heart x-rays | | | | | |
| 93543 | N | Injection for heart x-rays | | | | | |
| 93544 | N | Injection for aortography | | | | | |
| 93545 | N | Inject for coronary x-rays | | | | | |
| 93555 | N | Imaging, cardiac cath | | | | | |
| 93556 | N | Imaging, cardiac cath | | | | | |
| 93561 | N | Cardiac output measurement | | | | | |
| 93562 | N | Cardiac output measurement | | | | | |
| 93571 | N | Heart flow reserve measure | | | | | |
| 93572 | N | Heart flow reserve measure | | | | | |
| 93600 | T | Bundle of His recording | 0087 | 5.81 | $302.17 | | $60.43 |
| 93602 | T | Intra-atrial recording | 0087 | 5.81 | $302.17 | | $60.43 |
| 93603 | T | Right ventricular recording | 0087 | 5.81 | $302.17 | | $60.43 |
| 93609 | T | Map tachycardia, add-on | 0087 | 5.81 | $302.17 | | $60.43 |
| 93610 | T | Intra-atrial pacing | 0087 | 5.81 | $302.17 | | $60.43 |
| 93612 | T | Intraventricular pacing | 0087 | 5.81 | $302.17 | | $60.43 |
| 93613 | T | Electrophys map, 3d, add-on | 0087 | 5.81 | $302.17 | | $60.43 |
| 93615 | T | Esophageal recording | 0087 | 5.81 | $302.17 | | $60.43 |
| 93616 | T | Esophageal recording | 0087 | 5.81 | $302.17 | | $60.43 |
| 93618 | T | Heart rhythm pacing | 0087 | 5.81 | $302.17 | | $60.43 |
| 93619 | T | Electrophysiology evaluation | 0085 | 31.77 | $1,652.33 | $363.51 | $330.47 |
| 93620 | T | Electrophysiology evaluation | 0085 | 31.77 | $1,652.33 | $363.51 | $330.47 |
| 93621 | T | Electrophysiology evaluation | 0085 | 31.77 | $1,652.33 | $363.51 | $330.47 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 93622 | T | Electrophysiology evaluation | 0085 | 31.77 | $1,652.33 | $363.51 | $330.47 |
| 93623 | T | Stimulation, pacing heart | 0087 | 5.81 | $302.17 | | $60.43 |
| 93624 | S | Electrophysiologic study | 0084 | 9.60 | $499.29 | | $99.86 |
| 93631 | T | Heart pacing, mapping | 0087 | 5.81 | $302.17 | | $60.43 |
| 93640 | S | Evaluation heart device | 0084 | 9.60 | $499.29 | | $99.86 |
| 93641 | S | Electrophysiology evaluation | 0084 | 9.60 | $499.29 | | $99.86 |
| 93642 | S | Electrophysiology evaluation | 0084 | 9.60 | $499.29 | | $99.86 |
| 93650 | T | Ablate heart dysrhythm focus | 0086 | 43.70 | $2,272.79 | $772.75 | $454.56 |
| 93651 | T | Ablate heart dysrhythm focus | 0086 | 43.70 | $2,272.79 | $772.75 | $454.56 |
| 93652 | T | Ablate heart dysrhythm focus | 0086 | 43.70 | $2,272.79 | $772.75 | $454.56 |
| 93660 | S | Tilt table evaluation | 0101 | 4.40 | $228.84 | $105.27 | $45.77 |
| 93662 | S | Intracardiac ecg (ice) | 0670 | 14.78 | $768.69 | $276.73 | $153.74 |
| 93668 | E | Peripheral vascular rehab | | | | | |
| 93701 | S | Bioimpedance, thoracic | 0099 | 0.38 | $19.76 | | $3.95 |
| 93720 | E | Total body plethysmography | | | | | |
| 93721 | X | Plethysmography tracing | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 93722 | E | Plethysmography report | | | | | |
| 93724 | S | Analyze pacemaker system | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93727 | S | Analyze ilr system | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93731 | S | Analyze pacemaker system | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93732 | S | Analyze pacemaker system | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93733 | S | Telephone analy, pacemaker | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93734 | S | Analyze pacemaker system | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93735 | S | Analyze pacemaker system | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93736 | S | Telephone analy, pacemaker | 0690 | 0.45 | $23.40 | $10.63 | $4.68 |
| 93740 | X | Temperature gradient studies | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 93741 | S | Analyze ht pace device sngl | 0689 | 0.60 | $31.21 | $12.03 | $6.24 |
| 93742 | S | Analyze ht pace device sngl | 0689 | 0.60 | $31.21 | $12.03 | $6.24 |
| 93743 | S | Analyze ht pace device dual | 0689 | 0.60 | $31.21 | $12.03 | $6.24 |
| 93744 | S | Analyze ht pace device dual | 0689 | 0.60 | $31.21 | $12.03 | $6.24 |
| 93760 | E | Cephalic thermogram | | | | | |
| 93762 | E | Peripheral thermogram | | | | | |
| 93770 | N | Measure venous pressure | | | | | |
| 93784 | E | Ambulatory BP monitoring | | | | | |
| 93786 | X | Ambulatory BP recording | 0097 | 0.84 | $43.69 | $23.80 | $8.74 |
| 93788 | E | Ambulatory BP analysis | | | | | |
| 93790 | E | Review/report BP recording | | | | | |
| 93797 | S | Cardiac rehab | 0095 | 0.66 | $34.33 | $16.73 | $6.87 |
| 93798 | S | Cardiac rehab/monitor | 0095 | 0.66 | $34.33 | $16.73 | $6.87 |
| 93799 | S | Cardiovascular procedure | 0096 | 1.82 | $94.66 | $48.15 | $18.93 |
| 93875 | S | Extracranial study | 0096 | 1.82 | $94.66 | $48.15 | $18.93 |
| 93880 | S | Extracranial study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93882 | S | Extracranial study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93886 | S | Intracranial study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93888 | S | Intracranial study | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 93922 | S | Extremity study | 0096 | 1.82 | $94.66 | $48.15 | $18.93 |
| 93923 | S | Extremity study | 0096 | 1.82 | $94.66 | $48.15 | $18.93 |
| 93924 | S | Extremity study | 0096 | 1.82 | $94.66 | $48.15 | $18.93 |
| 93925 | S | Lower extremity study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93926 | S | Lower extremity study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93930 | S | Upper extremity study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93931 | S | Upper extremity study | 0266 | 1.70 | $88.42 | $48.63 | $17.68 |
| 93965 | S | Extremity study | 0096 | 1.82 | $94.66 | $48.15 | $18.93 |
| 93970 | S | Extremity study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93971 | S | Extremity study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93975 | S | Vascular study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93976 | S | Vascular study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93978 | S | Vascular study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93979 | S | Vascular study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93980 | S | Penile vascular study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93981 | S | Penile vascular study | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 93990 | S | Doppler flow testing | 0267 | 2.58 | $134.18 | $65.52 | $26.84 |
| 94010 | X | Breathing capacity test | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94014 | X | Patient recorded spirometry | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94015 | X | Patient recorded spirometry | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94016 | A | Review patient spirometry | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 94060 | X | Evaluation of wheezing | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94070 | X | Evaluation of wheezing | 0369 | 2.39 | $124.30 | $41.02 | $24.86 |
| 94150 | X | Vital capacity test | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94200 | X | Lung function test (MBC/MVV) | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94240 | X | Residual lung capacity | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94250 | X | Expired gas collection | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94260 | X | Thoracic gas volume | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94350 | X | Lung nitrogen washout curve | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94360 | X | Measure airflow resistance | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94370 | X | Breath airway closing volume | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94375 | X | Respiratory flow volume loop | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94400 | X | CO2 breathing response curve | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94450 | X | Hypoxia response curve | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94620 | X | Pulmonary stress test/simple | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94621 | X | Pulm stress test/complex | 0369 | 2.39 | $124.30 | $41.02 | $24.86 |
| 94640 | S | Airway inhalation treatment | 0077 | 0.26 | $13.52 | $7.44 | $2.70 |
| 94642 | S | Aerosol inhalation treatment | 0078 | 0.68 | $35.37 | $15.21 | $7.07 |
| 94650 | S | Pressure breathing (IPPB) | 0077 | 0.26 | $13.52 | $7.44 | $2.70 |
| 94651 | S | Pressure breathing (IPPB) | 0077 | 0.26 | $13.52 | $7.44 | $2.70 |
| 94652 | C | Pressure breathing (IPPB) | | | | | |
| 94656 | S | Initial ventilator mgmt | 0079 | 1.63 | $84.77 | $16.80 | $16.95 |
| 94657 | S | Continued ventilator mgmt | 0079 | 1.63 | $84.77 | $16.80 | $16.95 |
| 94660 | S | Pos airway pressure, CPAP | 0068 | 1.59 | $82.69 | $45.48 | $16.54 |
| 94662 | S | Neg press ventilation, cnp | 0079 | 1.63 | $84.77 | $16.80 | $16.95 |
| 94664 | S | Aerosol or vapor inhalations | 0077 | 0.26 | $13.52 | $7.44 | $2.70 |
| 94665 | S | Aerosol or vapor inhalations | 0077 | 0.26 | $13.52 | $7.44 | $2.70 |
| 94667 | S | Chest wall manipulation | 0077 | 0.26 | $13.52 | $7.44 | $2.70 |
| 94668 | S | Chest wall manipulation | 0077 | 0.26 | $13.52 | $7.44 | $2.70 |
| 94680 | X | Exhaled air analysis, o2 | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94681 | X | Exhaled air analysis, o2/co2 | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94690 | X | Exhaled air analysis | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94720 | X | Monoxide diffusing capacity | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94725 | X | Membrane diffusion capacity | 0368 | 0.96 | $49.93 | $24.97 | $9.99 |
| 94750 | X | Pulmonary compliance study | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94760 | N | Measure blood oxygen level | | | | | |
| 94761 | N | Measure blood oxygen level | | | | | |
| 94762 | N | Measure blood oxygen level | | | | | |
| 94770 | X | Exhaled carbon dioxide test | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 94772 | X | Breath recording, infant | 0369 | 2.39 | $124.30 | $41.02 | $24.86 |
| 94799 | X | Pulmonary service/procedure | 0367 | 0.60 | $31.21 | $15.61 | $6.24 |
| 95004 | X | Allergy skin tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95010 | X | Sensitivity skin tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95015 | X | Sensitivity skin tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95024 | X | Allergy skin tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95027 | X | Skin end point titration | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95028 | X | Allergy skin tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95044 | X | Allergy patch tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95052 | X | Photo patch test | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95056 | X | Photosensitivity tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95060 | X | Eye allergy tests | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95065 | X | Nose allergy test | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95070 | X | Bronchial allergy tests | 0369 | 2.39 | $124.30 | $41.02 | $24.86 |
| 95071 | X | Bronchial allergy tests | 0369 | 2.39 | $124.30 | $41.02 | $24.86 |
| 95075 | X | Ingestion challenge test | 0361 | 3.55 | $184.63 | $83.23 | $36.93 |
| 95078 | X | Provocative testing | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95115 | X | Immunotherapy, one injection | 0352 | 0.14 | $7.28 | | $1.46 |
| 95117 | X | Immunotherapy injections | 0353 | 0.43 | $22.36 | | $4.47 |
| 95120 | E | Immunotherapy, one injection | | | | | |
| 95125 | E | Immunotherapy, many antigens | | | | | |
| 95130 | E | Immunotherapy, insect venom | | | | | |
| 95131 | E | Immunotherapy, insect venoms | | | | | |
| 95132 | E | Immunotherapy, insect venoms | | | | | |
| 95133 | E | Immunotherapy, insect venoms | | | | | |
| 95134 | E | Immunotherapy, insect venoms | | | | | |
| 95144 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |
| 95145 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 95146 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |
| 95147 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |
| 95148 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |
| 95149 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |
| 95165 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |
| 95170 | X | Antigen therapy services | 0371 | 0.50 | $26.00 | | $5.20 |
| 95180 | X | Rapid desensitization | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95199 | X | Allergy immunology services | 0370 | 0.74 | $38.49 | $11.16 | $7.70 |
| 95250 | T | Glucose monitoring, cont | 0972 | | $150.00 | | $30.00 |
| 95805 | S | Multiple sleep latency test | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95806 | S | Sleep study, unattended | 0213 | 3.38 | $175.79 | $70.41 | $35.16 |
| 95807 | S | Sleep study, attended | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95808 | S | Polysomnography, 1-3 | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95810 | S | Polysomnography, 4 or more | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95811 | S | Polysomnography w/cpap | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95812 | S | Electroencephalogram (EEG) | 0213 | 3.38 | $175.79 | $70.41 | $35.16 |
| 95813 | S | Electroencephalogram (EEG) | 0213 | 3.38 | $175.79 | $70.41 | $35.16 |
| 95816 | S | Electroencephalogram (EEG) | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95819 | S | Electroencephalogram (EEG) | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95822 | S | Sleep electroencephalogram | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95824 | S | Electroencephalography | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95827 | S | Night electroencephalogram | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95829 | S | Surgery electrocorticogram | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95830 | E | Insert electrodes for EEG | | | | | |
| 95831 | N | Limb muscle testing, manual | | | | | |
| 95832 | N | Hand muscle testing, manual | | | | | |
| 95833 | N | Body muscle testing, manual | | | | | |
| 95834 | N | Body muscle testing, manual | | | | | |
| 95851 | N | Range of motion measurements | | | | | |
| 95852 | N | Range of motion measurements | | | | | |
| 95857 | S | Tensilon test | 0218 | 1.06 | $55.13 | | $11.03 |
| 95858 | S | Tensilon test & myogram | 0218 | 1.06 | $55.13 | | $11.03 |
| 95860 | S | Muscle test, one limb | 0218 | 1.06 | $55.13 | | $11.03 |
| 95861 | S | Muscle test, two limbs | 0218 | 1.06 | $55.13 | | $11.03 |
| 95863 | S | Muscle test, 3 limbs | 0218 | 1.06 | $55.13 | | $11.03 |
| 95864 | S | Muscle test, 4 limbs | 0218 | 1.06 | $55.13 | | $11.03 |
| 95867 | S | Muscle test, head or neck | 0218 | 1.06 | $55.13 | | $11.03 |
| 95868 | S | Muscle test, head or neck | 0218 | 1.06 | $55.13 | | $11.03 |
| 95869 | S | Muscle test, thor paraspinal | 0215 | 0.60 | $31.21 | | $6.24 |
| 95870 | S | Muscle test, nonparaspinal | 0218 | 1.06 | $55.13 | | $11.03 |
| 95872 | S | Muscle test, one fiber | 0218 | 1.06 | $55.13 | | $11.03 |
| 95875 | S | Limb exercise test | 0215 | 0.60 | $31.21 | | $6.24 |
| 95900 | S | Motor nerve conduction test | 0218 | 1.06 | $55.13 | | $11.03 |
| 95903 | S | Motor nerve conduction test | 0218 | 1.06 | $55.13 | | $11.03 |
| 95904 | S | Sense nerve conduction test | 0215 | 0.60 | $31.21 | | $6.24 |
| 95920 | S | Intraop nerve test add-on | 0216 | 3.06 | $159.15 | $71.62 | $31.83 |
| 95921 | S | Autonomic nerv function test | 0218 | 1.06 | $55.13 | | $11.03 |
| 95922 | S | Autonomic nerv function test | 0218 | 1.06 | $55.13 | | $11.03 |
| 95923 | S | Autonomic nerv function test | 0215 | 0.60 | $31.21 | | $6.24 |
| 95925 | S | Somatosensory testing | 0216 | 3.06 | $159.15 | $71.62 | $31.83 |
| 95926 | S | Somatosensory testing | 0216 | 3.06 | $159.15 | $71.62 | $31.83 |
| 95927 | S | Somatosensory testing | 0216 | 3.06 | $159.15 | $71.62 | $31.83 |
| 95930 | S | Visual evoked potential test | 0218 | 1.06 | $55.13 | | $11.03 |
| 95933 | S | Blink reflex test | 0215 | 0.60 | $31.21 | | $6.24 |
| 95934 | S | H-reflex test | 0215 | 0.60 | $31.21 | | $6.24 |
| 95936 | S | H-reflex test | 0215 | 0.60 | $31.21 | | $6.24 |
| 95937 | S | Neuromuscular junction test | 0218 | 1.06 | $55.13 | | $11.03 |
| 95950 | S | Ambulatory eeg monitoring | 0213 | 3.38 | $175.79 | $70.41 | $35.16 |
| 95951 | S | EEG monitoring/videorecord | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95953 | S | EEG monitoring/computer | 0209 | 12.09 | $628.79 | $280.58 | $125.76 |
| 95954 | S | EEG monitoring/giving drugs | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95955 | S | EEG during surgery | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95956 | S | Eeg monitoring, cable/radio | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95957 | S | EEG digital analysis | 0214 | 2.37 | $123.26 | $61.63 | $24.65 |
| 95958 | S | EEG monitoring/function test | 0213 | 3.38 | $175.79 | $70.41 | $35.16 |
| 95961 | S | Electrode stimulation, brain | 0216 | 3.06 | $159.15 | $71.62 | $31.83 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 95962 | S | Electrode stim, brain add-on | 0216 | 3.06 | $159.15 | $71.62 | $31.83 |
| 95965 | S | Meg, spontaneous | 0717 | | $2,250.00 | | $450.00 |
| 95966 | S | Meg, evoked, single | 0714 | | $1,375.00 | | $275.00 |
| 95967 | S | Meg, evoked, each addl | 0712 | | $875.00 | | $175.00 |
| 95970 | S | Analyze neurostim, no prog | 0692 | 0.85 | $44.21 | $24.32 | $8.84 |
| 95971 | S | Analyze neurostim, simple | 0692 | 0.85 | $44.21 | $24.32 | $8.84 |
| 95972 | S | Analyze neurostim, complex | 0692 | 0.85 | $44.21 | $24.32 | $8.84 |
| 95973 | S | Analyze neurostim, complex | 0692 | 0.85 | $44.21 | $24.32 | $8.84 |
| 95974 | S | Cranial neurostim, complex | 0692 | 0.85 | $44.21 | $24.32 | $8.84 |
| 95975 | S | Cranial neurostim, complex | 0692 | 0.85 | $44.21 | $24.32 | $8.84 |
| 95999 | S | Neurological procedure | 0215 | 0.60 | $31.21 | | $6.24 |
| 96000 | S | Motion analysis, video/3d | 0708 | | $150.00 | | $30.00 |
| 96001 | S | Motion test w/ft press meas | 0708 | | $150.00 | | $30.00 |
| 96002 | S | Dynamic surface emg | 0708 | | $150.00 | | $30.00 |
| 96003 | S | Dynamic fine wire emg | 0708 | | $150.00 | | $30.00 |
| 96004 | E | Phys review of motion tests | | | | | |
| 96100 | X | Psychological testing | 0373 | 2.37 | $123.26 | | $24.65 |
| 96105 | X | Assessment of aphasia | 0373 | 2.37 | $123.26 | | $24.65 |
| 96110 | X | Developmental test, lim | 0373 | 2.37 | $123.26 | | $24.65 |
| 96111 | X | Developmental test, extend | 0373 | 2.37 | $123.26 | | $24.65 |
| 96115 | X | Neurobehavior status exam | 0373 | 2.37 | $123.26 | | $24.65 |
| 96117 | X | Neuropsych test battery | 0373 | 2.37 | $123.26 | | $24.65 |
| 96150 | S | Assess hlth/behave, init | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 96151 | S | Assess hlth/behave, subseq | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 96152 | S | Intervene hlth/behave, indiv | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 96153 | S | Intervene hlth/behave, group | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 96154 | S | Interv hlth/behav, fam w/pt | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 96155 | S | Interv hlth/behav fam no pt | 0322 | 1.44 | $74.89 | $12.40 | $14.98 |
| 96400 | E | Chemotherapy, sc/im | | | | | |
| 96405 | E | Intralesional chemo admin | | | | | |
| 96406 | E | Intralesional chemo admin | | | | | |
| 96408 | E | Chemotherapy, push technique | | | | | |
| 96410 | E | Chemotherapy infusion method | | | | | |
| 96412 | E | Chemo, infuse method add-on | | | | | |
| 96414 | E | Chemo, infuse method add-on | | | | | |
| 96420 | E | Chemotherapy, push technique | | | | | |
| 96422 | E | Chemotherapy infusion method | | | | | |
| 96423 | E | Chemo, infuse method add-on | | | | | |
| 96425 | E | Chemotherapy infusion method | | | | | |
| 96440 | E | Chemotherapy, intracavitary | | | | | |
| 96445 | E | Chemotherapy, intracavitary | | | | | |
| 96450 | E | Chemotherapy, into CNS | | | | | |
| 96520 | T | Pump refilling, maintenance | 0125 | 1.73 | $89.98 | | $18.00 |
| 96530 | T | Pump refilling, maintenance | 0125 | 1.73 | $89.98 | | $18.00 |
| 96542 | E | Chemotherapy injection | | | | | |
| 96545 | E | Provide chemotherapy agent | | | | | |
| 96549 | E | Chemotherapy, unspecified | | | | | |
| 96567 | T | Photodynamic tx, skin | 0972 | | $150.00 | | $30.00 |
| 96570 | T | Photodynamic tx, 30 min | 0973 | | $250.00 | | $50.00 |
| 96571 | T | Photodynamic tx, addl 15 min | 0973 | | $250.00 | | $50.00 |
| 96900 | S | Ultraviolet light therapy | 0001 | 0.43 | $22.36 | $7.88 | $4.47 |
| 96902 | N | Trichogram | | | | | |
| 96910 | S | Photochemotherapy with UV-B | 0001 | 0.43 | $22.36 | $7.88 | $4.47 |
| 96912 | S | Photochemotherapy with UV-A | 0001 | 0.43 | $22.36 | $7.88 | $4.47 |
| 96913 | S | Photochemotherapy, UV-A or B | 0683 | 2.11 | $109.74 | $39.51 | $21.95 |
| 96999 | T | Dermatological procedure | 0010 | 0.70 | $36.41 | $10.56 | $7.28 |
| 97001 | A | Pt evaluation | | | | | |
| 97002 | A | Pt re-evaluation | | | | | |
| 97003 | A | Ot evaluation | | | | | |
| 97004 | A | Ot re-evaluation | | | | | |
| 97005 | E | Athletic train eval | | | | | |
| 97006 | E | Athletic train reeval | | | | | |
| 97010 | A | Hot or cold packs therapy | | | | | |
| 97012 | A | Mechanical traction therapy | | | | | |
| 97014 | A | Electric stimulation therapy | | | | | |
| 97016 | A | Vasopneumatic device therapy | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 97018 | A | Paraffin bath therapy | | | | | |
| 97020 | A | Microwave therapy | | | | | |
| 97022 | A | Whirlpool therapy | | | | | |
| 97024 | A | Diathermy treatment | | | | | |
| 97026 | A | Infrared therapy | | | | | |
| 97028 | A | Ultraviolet therapy | | | | | |
| 97032 | A | Electrical stimulation | | | | | |
| 97033 | A | Electric current therapy | | | | | |
| 97034 | A | Contrast bath therapy | | | | | |
| 97035 | A | Ultrasound therapy | | | | | |
| 97036 | A | Hydrotherapy | | | | | |
| 97039 | A | Physical therapy treatment | | | | | |
| 97110 | A | Therapeutic exercises | | | | | |
| 97112 | A | Neuromuscular reeducation | | | | | |
| 97113 | A | Aquatic therapy/exercises | | | | | |
| 97116 | A | Gait training therapy | | | | | |
| 97124 | A | Massage therapy | | | | | |
| 97139 | A | Physical medicine procedure | | | | | |
| 97140 | A | Manual therapy | | | | | |
| 97150 | A | Group therapeutic procedures | | | | | |
| 97504 | A | Orthotic training | | | | | |
| 97520 | A | Prosthetic training | | | | | |
| 97530 | A | Therapeutic activities | | | | | |
| 97532 | A | Cognitive skills development | | | | | |
| 97533 | A | Sensory integration | | | | | |
| 97535 | A | Self care mngment training | | | | | |
| 97537 | A | Community/work reintegration | | | | | |
| 97542 | A | Wheelchair mngment training | | | | | |
| 97545 | A | Work hardening | | | | | |
| 97546 | A | Work hardening add-on | | | | | |
| 97601 | A | Wound(s) care, selective | | | | | |
| 97602 | N | Wound(s) care non-selective | | | | | |
| 97703 | A | Prosthetic checkout | | | | | |
| 97750 | A | Physical performance test | | | | | |
| 97780 | E | Acupuncture w/o stimul | | | | | |
| 97781 | E | Acupuncture w/stimul | | | | | |
| 97799 | A | Physical medicine procedure | | | | | |
| 97802 | A | Medical nutrition, indiv, in | | | | | |
| 97803 | A | Med nutrition, indiv, subseq | | | | | |
| 97804 | A | Medical nutrition, group | | | | | |
| 98925 | S | Osteopathic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98926 | S | Osteopathic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98927 | S | Osteopathic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98928 | S | Osteopathic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98929 | S | Osteopathic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98940 | S | Chiropractic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98941 | S | Chiropractic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98942 | S | Chiropractic manipulation | 0060 | 0.36 | $18.72 | | $3.74 |
| 98943 | E | Chiropractic manipulation | | | | | |
| 99000 | E | Specimen handling | | | | | |
| 99001 | E | Specimen handling | | | | | |
| 99002 | E | Device handling | | | | | |
| 99024 | E | Postop follow-up visit | | | | | |
| 99025 | E | Initial surgical evaluation | | | | | |
| 99050 | E | Medical services after hrs | | | | | |
| 99052 | E | Medical services at night | | | | | |
| 99054 | E | Medical servcs, unusual hrs | | | | | |
| 99056 | E | Non-office medical services | | | | | |
| 99058 | E | Office emergency care | | | | | |
| 99070 | E | Special supplies | | | | | |
| 99071 | E | Patient education materials | | | | | |
| 99075 | E | Medical testimony | | | | | |
| 99078 | N | Group health education | | | | | |
| 99080 | E | Special reports or forms | | | | | |
| 99082 | E | Unusual physician travel | | | | | |
| 99090 | E | Computer data analysis | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 99091 | E | Collect/review data from pt | | | | | |
| 99100 | E | Special anesthesia service | | | | | |
| 99116 | E | Anesthesia with hypothermia | | | | | |
| 99135 | E | Special anesthesia procedure | | | | | |
| 99140 | E | Emergency anesthesia | | | | | |
| 99141 | N | Sedation, iv/im or inhalant | | | | | |
| 99142 | N | Sedation, oral/rectal/nasal | | | | | |
| 99170 | T | Anogenital exam, child | 0191 | 0.22 | $11.44 | $3.32 | $2.29 |
| 99172 | E | Ocular function screen | | | | | |
| 99173 | E | Visual acuity screen | | | | | |
| 99175 | N | Induction of vomiting | | | | | |
| 99183 | E | Hyperbaric oxygen therapy | | | | | |
| 99185 | N | Regional hypothermia | | | | | |
| 99186 | N | Total body hypothermia | | | | | |
| 99190 | C | Special pump services | | | | | |
| 99191 | C | Special pump services | | | | | |
| 99192 | C | Special pump services | | | | | |
| 99195 | X | Phlebotomy | 0372 | 0.56 | $29.13 | $10.09 | $5.83 |
| 99199 | E | Special service/proc/report | | | | | |
| 99201 | V | Office/outpatient visit, new | 0600 | 0.91 | $47.33 | | $9.47 |
| 99202 | V | Office/outpatient visit, new | 0600 | 0.91 | $47.33 | | $9.47 |
| 99203 | V | Office/outpatient visit, new | 0601 | 1.04 | $54.09 | | $10.82 |
| 99204 | V | Office/outpatient visit, new | 0602 | 1.57 | $81.65 | | $16.33 |
| 99205 | V | Office/outpatient visit, new | 0602 | 1.57 | $81.65 | | $16.33 |
| 99211 | V | Office/outpatient visit, est | 0600 | 0.91 | $47.33 | | $9.47 |
| 99212 | V | Office/outpatient visit, est | 0600 | 0.91 | $47.33 | | $9.47 |
| 99213 | V | Office/outpatient visit, est | 0601 | 1.04 | $54.09 | | $10.82 |
| 99214 | V | Office/outpatient visit, est | 0602 | 1.57 | $81.65 | | $16.33 |
| 99215 | V | Office/outpatient visit, est | 0602 | 1.57 | $81.65 | | $16.33 |
| 99217 | N | Observation care discharge | | | | | |
| 99218 | N | Observation care | | | | | |
| 99219 | N | Observation care | | | | | |
| 99220 | N | Observation care | | | | | |
| 99221 | E | Initial hospital care | | | | | |
| 99222 | E | Initial hospital care | | | | | |
| 99223 | E | Initial hospital care | | | | | |
| 99231 | E | Subsequent hospital care | | | | | |
| 99232 | E | Subsequent hospital care | | | | | |
| 99233 | E | Subsequent hospital care | | | | | |
| 99234 | N | Observ/hosp same date | | | | | |
| 99235 | N | Observ/hosp same date | | | | | |
| 99236 | N | Observ/hosp same date | | | | | |
| 99238 | E | Hospital discharge day | | | | | |
| 99239 | E | Hospital discharge day | | | | | |
| 99241 | V | Office consultation | 0600 | 0.91 | $47.33 | | $9.47 |
| 99242 | V | Office consultation | 0600 | 0.91 | $47.33 | | $9.47 |
| 99243 | V | Office consultation | 0601 | 1.04 | $54.09 | | $10.82 |
| 99244 | V | Office consultation | 0602 | 1.57 | $81.65 | | $16.33 |
| 99245 | V | Office consultation | 0602 | 1.57 | $81.65 | | $16.33 |
| 99251 | C | Initial inpatient consult | | | | | |
| 99252 | C | Initial inpatient consult | | | | | |
| 99253 | C | Initial inpatient consult | | | | | |
| 99254 | C | Initial inpatient consult | | | | | |
| 99255 | C | Initial inpatient consult | | | | | |
| 99261 | C | Follow-up inpatient consult | | | | | |
| 99262 | C | Follow-up inpatient consult | | | | | |
| 99263 | C | Follow-up inpatient consult | | | | | |
| 99271 | V | Confirmatory consultation | 0600 | 0.91 | $47.33 | | $9.47 |
| 99272 | V | Confirmatory consultation | 0600 | 0.91 | $47.33 | | $9.47 |
| 99273 | V | Confirmatory consultation | 0601 | 1.04 | $54.09 | | $10.82 |
| 99274 | V | Confirmatory consultation | 0602 | 1.57 | $81.65 | | $16.33 |
| 99275 | V | Confirmatory consultation | 0602 | 1.57 | $81.65 | | $16.33 |
| 99281 | V | Emergency dept visit | 0610 | 1.49 | $77.49 | $19.57 | $15.50 |
| 99282 | V | Emergency dept visit | 0610 | 1.49 | $77.49 | $19.57 | $15.50 |
| 99283 | V | Emergency dept visit | 0611 | 2.66 | $138.34 | $36.47 | $27.67 |
| 99284 | V | Emergency dept visit | 0612 | 4.53 | $235.60 | $54.14 | $47.12 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 99285 | V | Emergency dept visit | 0612 | 4.53 | $235.60 | $54.14 | $47.12 |
| 99288 | E | Direct advanced life support | | | | | |
| 99289 | N | Pt transport, 30-74 min | | | | | |
| 99290 | N | Pt transport, addl 30 min | | | | | |
| 99291 | S | Critical care, first hour | 0620 | 10.25 | $533.09 | $150.55 | $106.62 |
| 99292 | N | Critical care, addl 30 min | | | | | |
| 99295 | C | Neonatal critical care | | | | | |
| 99296 | C | Neonatal critical care | | | | | |
| 99297 | C | Neonatal critical care | | | | | |
| 99298 | C | Neonatal critical care | | | | | |
| 99301 | E | Nursing facility care | | | | | |
| 99302 | E | Nursing facility care | | | | | |
| 99303 | E | Nursing facility care | | | | | |
| 99311 | E | Nursing fac care, subseq | | | | | |
| 99312 | E | Nursing fac care, subseq | | | | | |
| 99313 | E | Nursing fac care, subseq | | | | | |
| 99315 | E | Nursing fac discharge day | | | | | |
| 99316 | E | Nursing fac discharge day | | | | | |
| 99321 | E | Rest home visit, new patient | | | | | |
| 99322 | E | Rest home visit, new patient | | | | | |
| 99323 | E | Rest home visit, new patient | | | | | |
| 99331 | E | Rest home visit, est pat | | | | | |
| 99332 | E | Rest home visit, est pat | | | | | |
| 99333 | E | Rest home visit, est pat | | | | | |
| 99341 | E | Home visit, new patient | | | | | |
| 99342 | E | Home visit, new patient | | | | | |
| 99343 | E | Home visit, new patient | | | | | |
| 99344 | E | Home visit, new patient | | | | | |
| 99345 | E | Home visit, new patient | | | | | |
| 99347 | E | Home visit, est patient | | | | | |
| 99348 | E | Home visit, est patient | | | | | |
| 99349 | E | Home visit, est patient | | | | | |
| 99350 | E | Home visit, est patient | | | | | |
| 99354 | N | Prolonged service, office | | | | | |
| 99355 | N | Prolonged service, office | | | | | |
| 99356 | C | Prolonged service, inpatient | | | | | |
| 99357 | C | Prolonged service, inpatient | | | | | |
| 99358 | N | Prolonged serv, w/o contact | | | | | |
| 99359 | N | Prolonged serv, w/o contact | | | | | |
| 99360 | E | Physician standby services | | | | | |
| 99361 | E | Physician/team conference | | | | | |
| 99362 | E | Physician/team conference | | | | | |
| 99371 | E | Physician phone consultation | | | | | |
| 99372 | E | Physician phone consultation | | | | | |
| 99373 | E | Physician phone consultation | | | | | |
| 99374 | E | Home health care supervision | | | | | |
| 99377 | E | Hospice care supervision | | | | | |
| 99379 | E | Nursing fac care supervision | | | | | |
| 99380 | E | Nursing fac care supervision | | | | | |
| 99381 | E | Prev visit, new, infant | | | | | |
| 99382 | E | Prev visit, new, age 1-4 | | | | | |
| 99383 | E | Prev visit, new, age 5-11 | | | | | |
| 99384 | E | Prev visit, new, age 12-17 | | | | | |
| 99385 | E | Prev visit, new, age 18-39 | | | | | |
| 99386 | E | Prev visit, new, age 40-64 | | | | | |
| 99387 | E | Prev visit, new, 65 & over | | | | | |
| 99391 | E | Prev visit, est, infant | | | | | |
| 99392 | E | Prev visit, est, age 1-4 | | | | | |
| 99393 | E | Prev visit, est, age 5-11 | | | | | |
| 99394 | E | Prev visit, est, age 12-17 | | | | | |
| 99395 | E | Prev visit, est, age 18-39 | | | | | |
| 99396 | E | Prev visit, est, age 40-64 | | | | | |
| 99397 | E | Prev visit, est, 65 & over | | | | | |
| 99401 | E | Preventive counseling, indiv | | | | | |
| 99402 | E | Preventive counseling, indiv | | | | | |
| 99403 | E | Preventive counseling, indiv | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| 99404 | E | Preventive counseling, indiv | | | | | |
| 99411 | E | Preventive counseling, group | | | | | |
| 99412 | E | Preventive counseling, group | | | | | |
| 99420 | E | Health risk assessment test | | | | | |
| 99429 | E | Unlisted preventive service | | | | | |
| 99431 | V | Initial care, normal newborn | 0600 | 0.91 | $47.33 | | $9.47 |
| 99432 | N | Newborn care, not in hosp | | | | | |
| 99433 | C | Normal newborn care/hospital | | | | | |
| 99435 | E | Newborn discharge day hosp | | | | | |
| 99436 | N | Attendance, birth | | | | | |
| 99440 | S | Newborn resuscitation | 0094 | 2.68 | $139.38 | $47.39 | $27.88 |
| 99450 | E | Life/disability evaluation | | | | | |
| 99455 | E | Disability examination | | | | | |
| 99456 | E | Disability examination | | | | | |
| 99499 | E | Unlisted e&m service | | | | | |
| 99500 | E | Home visit, prenatal | | | | | |
| 99501 | E | Home visit, postnatal | | | | | |
| 99502 | E | Home visit, nb care | | | | | |
| 99503 | E | Home visit, resp therapy | | | | | |
| 99504 | E | Home visit mech ventilator | | | | | |
| 99505 | E | Home visit, stoma care | | | | | |
| 99506 | E | Home visit, im injection | | | | | |
| 99507 | E | Home visit, cath maintain | | | | | |
| 99508 | E | Home visit, sleep studies | | | | | |
| 99509 | E | Home visit day life activity | | | | | |
| 99510 | E | Home visit, sing/m/fam couns | | | | | |
| 99511 | E | Home visit, fecal/enema mgmt | | | | | |
| 99512 | E | Home visit, hemodialysis | | | | | |
| 99539 | E | Home visit, nos | | | | | |
| 99551 | E | Home infus, pain mgmt, iv/sc | | | | | |
| 99552 | E | Hm infus pain mgmt, epid/ith | | | | | |
| 99553 | E | Home infuse, tocolytic tx | | | | | |
| 99554 | E | Home infus, hormone/platelet | | | | | |
| 99555 | E | Home infuse, chemotheraphy | | | | | |
| 99556 | E | Home infus, antibio/fung/vir | | | | | |
| 99557 | E | Home infuse, anticoagulant | | | | | |
| 99558 | E | Home infuse, immunotherapy | | | | | |
| 99559 | E | Home infus, periton dialysis | | | | | |
| 99560 | E | Home infus, entero nutrition | | | | | |
| 99561 | E | Home infuse, hydration tx | | | | | |
| 99562 | E | Home infus, parent nutrition | | | | | |
| 99563 | E | Home admin, pentamidine | | | | | |
| 99564 | E | Hme infus, antihemophil agnt | | | | | |
| 99565 | E | Home infus, proteinase inhib | | | | | |
| 99566 | E | Home infuse, iv therapy | | | | | |
| 99567 | E | Home infuse, sympath agent | | | | | |
| 99568 | E | Home infus, misc drug, daily | | | | | |
| 99569 | E | Home infuse, each addl tx | | | | | |
| A0021 | E | Outside state ambulance serv | | | | | |
| A0080 | E | Noninterest escort in non er | | | | | |
| A0090 | E | Interest escort in non er | | | | | |
| A0100 | E | Nonemergency transport taxi | | | | | |
| A0110 | E | Nonemergency transport bus | | | | | |
| A0120 | E | Noner transport mini-bus | | | | | |
| A0130 | E | Noner transport wheelch van | | | | | |
| A0140 | E | Nonemergency transport air | | | | | |
| A0160 | E | Noner transport case worker | | | | | |
| A0170 | E | Noner transport parking fees | | | | | |
| A0180 | E | Noner transport lodgng recip | | | | | |
| A0190 | E | Noner transport meals recip | | | | | |
| A0200 | E | Noner transport lodgng escrt | | | | | |
| A0210 | E | Noner transport meals escort | | | | | |
| A0225 | A | Neonatal emergency transport | | | | | |
| A0380 | A | Basic life support mileage | | | | | |
| A0382 | A | Basic support routine suppls | | | | | |
| A0384 | A | Bls defibrillation supplies | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| A0390 | A | Advanced life support mileag | | | | | |
| A0392 | A | Als defibrillation supplies | | | | | |
| A0394 | A | Als IV drug therapy supplies | | | | | |
| A0396 | A | Als esophageal intub suppls | | | | | |
| A0398 | A | Als routine disposble suppls | | | | | |
| A0420 | A | Ambulance waiting 1/2 hr | | | | | |
| A0422 | A | Ambulance 02 life sustaining | | | | | |
| A0424 | A | Extra ambulance attendant | | | | | |
| A0425 | A | Ground mileage | | | | | |
| A0426 | A | Als 1 | | | | | |
| A0427 | A | ALS1-emergency | | | | | |
| A0428 | A | bls | | | | | |
| A0429 | A | BLS-emergency | | | | | |
| A0430 | A | Fixed wing air transport | | | | | |
| A0431 | A | Rotary wing air transport | | | | | |
| A0432 | A | PI volunteer ambulance co | | | | | |
| A0433 | A | als 2 | | | | | |
| A0434 | A | Specialty care transport | | | | | |
| A0435 | A | Fixed wing air mileage | | | | | |
| A0436 | A | Rotary wing air mileage | | | | | |
| A0888 | E | Noncovered ambulance mileage | | | | | |
| A0999 | A | Unlisted ambulance service | | | | | |
| A4206 | A | 1 CC sterile syringe&needle | | | | | |
| A4207 | A | 2 CC sterile syringe&needle | | | | | |
| A4208 | A | 3 CC sterile syringe&needle | | | | | |
| A4209 | E | 5+ CC sterile syringe&needle | | | | | |
| A4210 | E | Nonneedle injection device | | | | | |
| A4211 | E | Supp for self-adm injections | | | | | |
| A4212 | E | Non coring needle or stylet | | | | | |
| A4213 | E | 20+ CC syringe only | | | | | |
| A4214 | A | 30 CC sterile water/saline | | | | | |
| A4215 | E | Sterile needle | | | | | |
| A4220 | A | Infusion pump refill kit | | | | | |
| A4221 | A | Maint drug infus cath per wk | | | | | |
| A4222 | A | Drug infusion pump supplies | | | | | |
| A4230 | A | Infus insulin pump non needl | | | | | |
| A4231 | A | Infusion insulin pump needle | | | | | |
| A4232 | A | Syringe w/needle insulin 3cc | | | | | |
| A4244 | E | Alcohol or peroxide per pint | | | | | |
| A4245 | E | Alcohol wipes per box | | | | | |
| A4246 | E | Betadine/phisohex solution | | | | | |
| A4247 | E | Betadine/iodine swabs/wipes | | | | | |
| A4250 | E | Urine reagent strips/tablets | | | | | |
| A4253 | A | Blood glucose/reagent strips | | | | | |
| A4254 | A | Battery for glucose monitor | | | | | |
| A4255 | A | Glucose monitor platforms | | | | | |
| A4256 | A | Calibrator solution/chips | | | | | |
| A4257 | A | Replace Lensshield Cartridge | | | | | |
| A4258 | A | Lancet device each | | | | | |
| A4259 | A | Lancets per box | | | | | |
| A4260 | E | Levonorgestrel implant | | | | | |
| A4261 | E | Cervical cap contraceptive | | | | | |
| A4262 | N | Temporary tear duct plug | | | | | |
| A4263 | N | Permanent tear duct plug | | | | | |
| A4265 | A | Paraffin | | | | | |
| A4270 | A | Disposable endoscope sheath | | | | | |
| A4280 | A | Brst prsths adhsv attchmnt | | | | | |
| A4290 | E | Sacral nerve stim test lead | | | | | |
| A4300 | E | Cath impl vasc access portal | | | | | |
| A4301 | E | Implantable access syst perc | | | | | |
| A4305 | A | Drug delivery system >=50 ML | | | | | |
| A4306 | A | Drug delivery system <=5 ML | | | | | |
| A4310 | A | Insert tray w/o bag/cath | | | | | |
| A4311 | A | Catheter w/o bag 2-way latex | | | | | |
| A4312 | A | Cath w/o bag 2-way silicone | | | | | |
| A4313 | A | Catheter w/bag 3-way | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| A4314 | A | Cath w/drainage 2-way latex | | | | | |
| A4315 | A | Cath w/drainage 2-way silcne | | | | | |
| A4316 | A | Cath w/drainage 3-way | | | | | |
| A4319 | A | Sterile H2O irrigation solut | | | | | |
| A4320 | A | Irrigation tray | | | | | |
| A4321 | A | Cath therapeutic irrig agent | | | | | |
| A4322 | A | Irrigation syringe | | | | | |
| A4323 | A | Saline irrigation solution | | | | | |
| A4324 | A | Male ext cath w/adh coating | | | | | |
| A4325 | A | Male ext cath w/adh strip | | | | | |
| A4326 | A | Male external catheter | | | | | |
| A4327 | A | Fem urinary collect dev cup | | | | | |
| A4328 | A | Fem urinary collect pouch | | | | | |
| A4330 | A | Stool collection pouch | | | | | |
| A4331 | A | Extension drainage tubing | | | | | |
| A4332 | A | Lubricant for cath insertion | | | | | |
| A4333 | A | Urinary cath anchor device | | | | | |
| A4334 | A | Urinary cath leg strap | | | | | |
| A4335 | A | Incontinence supply | | | | | |
| A4338 | A | Indwelling catheter latex | | | | | |
| A4340 | A | Indwelling catheter special | | | | | |
| A4344 | A | Cath indw foley 2 way silicn | | | | | |
| A4346 | A | Cath indw foley 3 way | | | | | |
| A4347 | A | Male external catheter | | | | | |
| A4348 | A | Male ext cath extended wear | | | | | |
| A4351 | A | Straight tip urine catheter | | | | | |
| A4352 | A | Coude tip urinary catheter | | | | | |
| A4353 | A | Intermittent urinary cath | | | | | |
| A4354 | A | Cath insertion tray w/bag | | | | | |
| A4355 | A | Bladder irrigation tubing | | | | | |
| A4356 | A | Ext ureth clmp or compr dvc | | | | | |
| A4357 | A | Bedside drainage bag | | | | | |
| A4358 | A | Urinary leg or abdomen bag | | | | | |
| A4359 | A | Urinary suspensory w/o leg b | | | | | |
| A4360 | A | Adult incontinence garment | | | | | |
| A4361 | A | Ostomy face plate | | | | | |
| A4362 | A | Solid skin barrier | | | | | |
| A4364 | A | Adhesive, liquid or equal | | | | | |
| A4365 | A | Adhesive remover wipes | | | | | |
| A4367 | A | Ostomy belt | | | | | |
| A4368 | A | Ostomy filter | | | | | |
| A4369 | A | Skin barrier liquid per oz | | | | | |
| A4370 | A | Skin barrier paste per oz | | | | | |
| A4371 | A | Skin barrier powder per oz | | | | | |
| A4372 | A | Skin barrier solid 4x4 equiv | | | | | |
| A4373 | A | Skin barrier with flange | | | | | |
| A4374 | A | Skin barrier extended wear | | | | | |
| A4375 | A | Drainable plastic pch w fcpl | | | | | |
| A4376 | A | Drainable rubber pch w fcplt | | | | | |
| A4377 | A | Drainable plstic pch w/o fp | | | | | |
| A4378 | A | Drainable rubber pch w/o fp | | | | | |
| A4379 | A | Urinary plastic pouch w fcpl | | | | | |
| A4380 | A | Urinary rubber pouch w fcplt | | | | | |
| A4381 | A | Urinary plastic pouch w/o fp | | | | | |
| A4382 | A | Urinary hvy plstc pch w/o fp | | | | | |
| A4383 | A | Urinary rubber pouch w/o fp | | | | | |
| A4384 | A | Ostomy faceplt/silicone ring | | | | | |
| A4385 | A | Ost skn barrier sld ext wear | | | | | |
| A4386 | A | Ost skn barrier w flng ex wr | | | | | |
| A4387 | A | Ost clsd pouch w att st barr | | | | | |
| A4388 | A | Drainable pch w ex wear barr | | | | | |
| A4389 | A | Drainable pch w st wear barr | | | | | |
| A4390 | A | Drainable pch ex wear convex | | | | | |
| A4391 | A | Urinary pouch w ex wear barr | | | | | |
| A4392 | A | Urinary pouch w st wear barr | | | | | |
| A4393 | A | Urine pch w ex wear bar conv | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| A4394 | A | Ostomy pouch liq deodorant | | | | | |
| A4395 | A | Ostomy pouch solid deodorant | | | | | |
| A4396 | A | Peristomal hernia supprt blt | | | | | |
| A4397 | A | Irrigation supply sleeve | | | | | |
| A4398 | A | Ostomy irrigation bag | | | | | |
| A4399 | A | Ostomy irrig cone/cath w brs | | | | | |
| A4400 | A | Ostomy irrigation set | | | | | |
| A4402 | A | Lubricant per ounce | | | | | |
| A4404 | A | Ostomy ring each | | | | | |
| A4421 | A | Ostomy supply misc | | | | | |
| A4454 | A | Tape all types all sizes | | | | | |
| A4455 | A | Adhesive remover per ounce | | | | | |
| A4460 | A | Elastic compression bandage | | | | | |
| A4462 | A | Abdmnl drssng holder/binder | | | | | |
| A4464 | A | Joint support device/garment | | | | | |
| A4465 | A | Non-elastic extremity binder | | | | | |
| A4470 | A | Gravlee jet washer | | | | | |
| A4480 | A | Vabra aspirator | | | | | |
| A4481 | A | Tracheostoma filter | | | | | |
| A4483 | A | Moisture exchanger | | | | | |
| A4490 | E | Above knee surgical stocking | | | | | |
| A4495 | E | Thigh length surg stocking | | | | | |
| A4500 | E | Below knee surgical stocking | | | | | |
| A4510 | E | Full length surg stocking | | | | | |
| A4550 | E | Surgical trays | | | | | |
| A4554 | E | Disposable underpads | | | | | |
| A4556 | A | Electrodes, pair | | | | | |
| A4557 | A | Lead wires, pair | | | | | |
| A4558 | A | Conductive paste or gel | | | | | |
| A4561 | N | Pessary rubber, any type | | | | | |
| A4562 | N | Pessary, non rubber,any type | | | | | |
| A4565 | A | Slings | | | | | |
| A4570 | N | Splint | | | | | |
| A4572 | A | Rib belt | | | | | |
| A4575 | E | Hyperbaric o2 chamber disps | | | | | |
| A4580 | N | Cast supplies (plaster) | | | | | |
| A4590 | N | Special casting material | | | | | |
| A4595 | A | TENS suppl 2 lead per month | | | | | |
| A4608 | A | Transtracheal oxygen cath | | | | | |
| A4611 | A | Heavy duty battery | | | | | |
| A4612 | A | Battery cables | | | | | |
| A4613 | A | Battery charger | | | | | |
| A4614 | A | Hand-held PEFR meter | | | | | |
| A4615 | A | Cannula nasal | | | | | |
| A4616 | A | Tubing (oxygen) per foot | | | | | |
| A4617 | A | Mouth piece | | | | | |
| A4618 | A | Breathing circuits | | | | | |
| A4619 | A | Face tent | | | | | |
| A4620 | A | Variable concentration mask | | | | | |
| A4621 | A | Tracheotomy mask or collar | | | | | |
| A4622 | A | Tracheostomy or larngectomy | | | | | |
| A4623 | A | Tracheostomy inner cannula | | | | | |
| A4624 | A | Tracheal suction tube | | | | | |
| A4625 | A | Trach care kit for new trach | | | | | |
| A4626 | A | Tracheostomy cleaning brush | | | | | |
| A4627 | E | Spacer bag/reservoir | | | | | |
| A4628 | A | Oropharyngeal suction cath | | | | | |
| A4629 | A | Tracheostomy care kit | | | | | |
| A4630 | A | Repl bat t.e.n.s. own by pt | | | | | |
| A4631 | A | Wheelchair battery | | | | | |
| A4635 | A | Underarm crutch pad | | | | | |
| A4636 | A | Handgrip for cane etc | | | | | |
| A4637 | A | Repl tip cane/crutch/walker | | | | | |
| A4640 | A | Alternating pressure pad | | | | | |
| A4641 | N | Diagnostic imaging agent | | | | | |
| A4642 | N | Satumomab pendetide per dose | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| A4643 | N | High dose contrast MRI | | | | | |
| A4644 | N | Contrast 100-199 MGs iodine | | | | | |
| A4645 | N | Contrast 200-299 MGs iodine | | | | | |
| A4646 | N | Contrast 300-399 MGs iodine | | | | | |
| A4647 | N | Supp- paramagnetic contr mat | | | | | |
| A4649 | A | Surgical supplies | | | | | |
| A4651 | A | Calibrated microcap tube | | | | | |
| A4652 | A | Microcapillary tube sealant | | | | | |
| A4656 | A | Dialysis needle | | | | | |
| A4657 | A | Dialysis syringe w/wo needle | | | | | |
| A4660 | A | Sphyg/bp app w cuff and stet | | | | | |
| A4663 | A | Dialysis blood pressure cuff | | | | | |
| A4670 | E | Automatic bp monitor, dial | | | | | |
| A4680 | A | Activated carbon filter, ea | | | | | |
| A4690 | A | Dialyzer, each | | | | | |
| A4706 | A | Bicarbonate conc sol per gal | | | | | |
| A4707 | A | Bicarbonate conc pow per pac | | | | | |
| A4708 | A | Acetate conc sol per gallon | | | | | |
| A4709 | A | Acid conc sol per gallon | | | | | |
| A4712 | A | Sterile water inj per 10 ml | | | | | |
| A4714 | A | Treated water per gallon | | | | | |
| A4719 | A | ''Y set'' tubing | | | | | |
| A4720 | A | Dialysat sol fld vol > 249cc | | | | | |
| A4721 | A | Dialysat sol fld vol > 999cc | | | | | |
| A4722 | A | Dialys sol fld vol > 1999cc | | | | | |
| A4723 | A | Dialys sol fld vol > 2999cc | | | | | |
| A4724 | A | Dialys sol fld vol > 3999cc | | | | | |
| A4725 | A | Dialys sol fld vol > 4999cc | | | | | |
| A4726 | A | Dialys sol fld vol > 5999cc | | | | | |
| A4730 | A | Fistula cannulation set, ea | | | | | |
| A4736 | A | Topical anesthetic, per gram | | | | | |
| A4737 | A | Inj anesthetic per 10 ml | | | | | |
| A4740 | A | Shunt accessory | | | | | |
| A4750 | A | Art or venous blood tubing | | | | | |
| A4755 | A | Comb art/venous blood tubing | | | | | |
| A4760 | A | Dialysate sol test kit, each | | | | | |
| A4765 | A | Dialysate conc pow per pack | | | | | |
| A4766 | A | Dialysate conc sol add 10 ml | | | | | |
| A4770 | A | Blood collection tube/vacuum | | | | | |
| A4771 | A | Serum clotting time tube | | | | | |
| A4772 | A | Blood glucose test strips | | | | | |
| A4773 | A | Occult blood test strips | | | | | |
| A4774 | A | Ammonia test strips | | | | | |
| A4801 | A | Heparin per 1000 units | | | | | |
| A4802 | A | Protamine sulfate per 50 mg | | | | | |
| A4860 | A | Disposable catheter tips | | | | | |
| A4870 | A | Plumb/elec wk hm hemo equip | | | | | |
| A4890 | A | Repair/maint cont hemo equip | | | | | |
| A4911 | A | Drain bag/bottle | | | | | |
| A4913 | A | Misc dialysis supplies noc | | | | | |
| A4918 | A | Venous pressure clamp | | | | | |
| A4927 | A | Non-sterile gloves | | | | | |
| A4928 | A | Surgical mask | | | | | |
| A4929 | A | Tourniquet for dialysis, ea | | | | | |
| A5051 | A | Pouch clsd w barr attached | | | | | |
| A5052 | A | Clsd ostomy pouch w/o barr | | | | | |
| A5053 | A | Clsd ostomy pouch faceplate | | | | | |
| A5054 | A | Clsd ostomy pouch w/flange | | | | | |
| A5055 | A | Stoma cap | | | | | |
| A5061 | A | Pouch drainable w barrier at | | | | | |
| A5062 | A | Drnble ostomy pouch w/o barr | | | | | |
| A5063 | A | Drain ostomy pouch w/flange | | | | | |
| A5071 | A | Urinary pouch w/barrier | | | | | |
| A5072 | A | Urinary pouch w/o barrier | | | | | |
| A5073 | A | Urinary pouch on barr w/flng | | | | | |
| A5081 | A | Continent stoma plug | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| A5082 | A | Continent stoma catheter | | | | | |
| A5093 | A | Ostomy accessory convex inse | | | | | |
| A5102 | A | Bedside drain btl w/wo tube | | | | | |
| A5105 | A | Urinary suspensory | | | | | |
| A5112 | A | Urinary leg bag | | | | | |
| A5113 | A | Latex leg strap | | | | | |
| A5114 | A | Foam/fabric leg strap | | | | | |
| A5119 | A | Skin barrier wipes box pr 50 | | | | | |
| A5121 | A | Solid skin barrier 6x6 | | | | | |
| A5122 | A | Solid skin barrier 8x8 | | | | | |
| A5123 | A | Skin barrier with flange | | | | | |
| A5126 | A | Disk/foam pad +or- adhesive | | | | | |
| A5131 | A | Appliance cleaner | | | | | |
| A5200 | A | Percutaneous catheter anchor | | | | | |
| A5500 | A | Diab shoe for density insert | | | | | |
| A5501 | A | Diabetic custom molded shoe | | | | | |
| A5503 | A | Diabetic shoe w/roller/rockr | | | | | |
| A5504 | A | Diabetic shoe with wedge | | | | | |
| A5505 | A | Diab shoe w/metatarsal bar | | | | | |
| A5506 | A | Diabetic shoe w/off set heel | | | | | |
| A5507 | A | Modification diabetic shoe | | | | | |
| A5508 | A | Diabetic deluxe shoe | | | | | |
| A5509 | A | Direct heat form shoe insert | | | | | |
| A5510 | A | Compression form shoe insert | | | | | |
| A5511 | A | Custom fab molded shoe inser | | | | | |
| A6000 | A | Wound warming wound cover | | | | | |
| A6010 | A | Collagen based wound filler | | | | | |
| A6021 | A | Collagen dressing <=16 sq in | | | | | |
| A6022 | A | Collagen drsg>6<=48 sq in | | | | | |
| A6023 | A | Collagen dressing >48 sq in | | | | | |
| A6024 | A | Collagen dsg wound filler | | | | | |
| A6025 | E | Silicone gel sheet, each | | | | | |
| A6154 | A | Wound pouch each | | | | | |
| A6196 | A | Alginate dressing <=16 sq in | | | | | |
| A6197 | A | Alginate drsg >16 <=48 sq in | | | | | |
| A6198 | A | alginate dressing > 48 sq in | | | | | |
| A6199 | A | Alginate drsg wound filler | | | | | |
| A6200 | A | Compos drsg <=16 no border | | | | | |
| A6201 | A | Compos drsg >16<=48 no bdr | | | | | |
| A6202 | A | Compos drsg >48 no border | | | | | |
| A6203 | A | Composite drsg <= 16 sq in | | | | | |
| A6204 | A | Composite drsg >16<=48 sq in | | | | | |
| A6205 | A | Composite drsg > 48 sq in | | | | | |
| A6206 | A | Contact layer <= 16 sq in | | | | | |
| A6207 | A | Contact layer >16<= 48 sq in | | | | | |
| A6208 | A | Contact layer > 48 sq in | | | | | |
| A6209 | A | Foam drsg <=16 sq in w/o bdr | | | | | |
| A6210 | A | Foam drg >16<=48 sq in w/o b | | | | | |
| A6211 | A | Foam drg > 48 sq in w/o brdr | | | | | |
| A6212 | A | Foam drg <=16 sq in w/border | | | | | |
| A6213 | A | Foam drg >16<=48 sq in w/bdr | | | | | |
| A6214 | A | Foam drg > 48 sq in w/border | | | | | |
| A6215 | A | Foam dressing wound filler | | | | | |
| A6216 | A | Non-sterile gauze<=16 sq in | | | | | |
| A6217 | A | Non-sterile gauze>16<=48 sq | | | | | |
| A6218 | A | Non-sterile gauze > 48 sq in | | | | | |
| A6219 | A | Gauze <= 16 sq in w/border | | | | | |
| A6220 | A | Gauze >16 <=48 sq in w/bordr | | | | | |
| A6221 | A | Gauze > 48 sq in w/border | | | | | |
| A6222 | A | Gauze <=16 in no w/sal w/o b | | | | | |
| A6223 | A | Gauze >16<=48 no w/sal w/o b | | | | | |
| A6224 | A | Gauze > 48 in no w/sal w/o b | | | | | |
| A6228 | A | Gauze <= 16 sq in water/sal | | | | | |
| A6229 | A | Gauze >16<=48 sq in watr/sal | | | | | |
| A6230 | A | Gauze > 48 sq in water/salne | | | | | |
| A6231 | A | Hydrogel dsg<=16 sq in | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| A6232 | A | Hydrogel dsg>16<=48 sq in | | | | | |
| A6233 | A | Hydrogel dressing >48 sq in | | | | | |
| A6234 | A | Hydrocolld drg <=16 w/o bdr | | | | | |
| A6235 | A | Hydrocolld drg >16<=48 w/o b | | | | | |
| A6236 | A | Hydrocolld drg > 48 in w/o b | | | | | |
| A6237 | A | Hydrocolld drg <=16 in w/bdr | | | | | |
| A6238 | A | Hydrocolld drg >16<=48 w/bdr | | | | | |
| A6239 | A | Hydrocolld drg > 48 in w/bdr | | | | | |
| A6240 | A | Hydrocolld drg filler paste | | | | | |
| A6241 | A | Hydrocolloid drg filler dry | | | | | |
| A6242 | A | Hydrogel drg <=16 in w/o bdr | | | | | |
| A6243 | A | Hydrogel drg >16<=48 w/o bdr | | | | | |
| A6244 | A | Hydrogel drg >48 in w/o bdr | | | | | |
| A6245 | A | Hydrogel drg <= 16 in w/bdr | | | | | |
| A6246 | A | Hydrogel drg >16<=48 in w/b | | | | | |
| A6247 | A | Hydrogel drg > 48 sq in w/b | | | | | |
| A6248 | A | Hydrogel drsg gel filler | | | | | |
| A6250 | A | Skin seal protect moisturizr | | | | | |
| A6251 | A | Absorpt drg <=16 sq in w/o b | | | | | |
| A6252 | A | Absorpt drg >16 <=48 w/o bdr | | | | | |
| A6253 | A | Absorpt drg > 48 sq in w/o b | | | | | |
| A6254 | A | Absorpt drg <=16 sq in w/bdr | | | | | |
| A6255 | A | Absorpt drg >16<=48 in w/bdr | | | | | |
| A6256 | A | Absorpt drg > 48 sq in w/bdr | | | | | |
| A6257 | A | Transparent film <= 16 sq in | | | | | |
| A6258 | A | Transparent film >16<=48 in | | | | | |
| A6259 | A | Transparent film > 48 sq in | | | | | |
| A6260 | A | Wound cleanser any type/size | | | | | |
| A6261 | A | Wound filler gel/paste /oz | | | | | |
| A6262 | A | Wound filler dry form / gram | | | | | |
| A6263 | A | Non-sterile elastic gauze/yd | | | | | |
| A6264 | A | Non-sterile no elastic gauze | | | | | |
| A6265 | A | Tape per 18 sq inches | | | | | |
| A6266 | A | Impreg gauze no h20/sal/yard | | | | | |
| A6402 | A | Sterile gauze <= 16 sq in | | | | | |
| A6403 | A | Sterile gauze>16 <= 48 sq in | | | | | |
| A6404 | A | Sterile gauze > 48 sq in | | | | | |
| A6405 | A | Sterile elastic gauze /yd | | | | | |
| A6406 | A | Sterile non-elastic gauze/yd | | | | | |
| A7000 | A | Disposable canister for pump | | | | | |
| A7001 | A | Nondisposable pump canister | | | | | |
| A7002 | A | Tubing used w suction pump | | | | | |
| A7003 | A | Nebulizer administration set | | | | | |
| A7004 | A | Disposable nebulizer sml vol | | | | | |
| A7005 | A | Nondisposable nebulizer set | | | | | |
| A7006 | A | Filtered nebulizer admin set | | | | | |
| A7007 | A | Lg vol nebulizer disposable | | | | | |
| A7008 | A | Disposable nebulizer prefill | | | | | |
| A7009 | A | Nebulizer reservoir bottle | | | | | |
| A7010 | A | Disposable corrugated tubing | | | | | |
| A7011 | A | Nondispos corrugated tubing | | | | | |
| A7012 | A | Nebulizer water collec devic | | | | | |
| A7013 | A | Disposable compressor filter | | | | | |
| A7014 | A | Compressor nondispos filter | | | | | |
| A7015 | A | Aerosol mask used w nebulize | | | | | |
| A7016 | A | Nebulizer dome & mouthpiece | | | | | |
| A7017 | A | Nebulizer not used w oxygen | | | | | |
| A7018 | A | Water distilled w/nebulizer | | | | | |
| A7019 | A | Saline solution dispenser | | | | | |
| A7020 | A | Sterile H2O or NSS w lgv neb | | | | | |
| A7501 | A | Tracheostoma valve w diaphra | | | | | |
| A7502 | A | Replacement diaphragm/fplate | | | | | |
| A7503 | A | HMES filter holder or cap | | | | | |
| A7504 | A | Tracheostoma HMES filter | | | | | |
| A7505 | A | HMES or trach valve housing | | | | | |
| A7506 | A | HMES/trachvalve adhesivedisk | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| A7507 | A | Integrated filter & holder | | | | | |
| A7508 | A | Housing & Integrated Adhesiv | | | | | |
| A7509 | A | Heat & moisture exchange sys | | | | | |
| A9150 | E | Misc/exper non-prescript dru | | | | | |
| A9270 | E | Non-covered item or service | | | | | |
| A9300 | E | Exercise equipment | | | | | |
| A9500 | N | Technetium TC 99m sestamibi | | | | | |
| A9502 | N | Technetium TC99M tetrofosmin | | | | | |
| A9503 | N | Technetium TC 99m medronate | | | | | |
| A9504 | N | Technetium tc 99m apcitide | | | | | |
| A9505 | N | Thallous chloride TL 201/mci | | | | | |
| A9507 | K | Indium/111 capromab pendetid | 1604 | 5.91 | $307.37 | | $61.47 |
| A9508 | N | Iobenguane sulfate I-131 | | | | | |
| A9510 | N | Technetium TC99m Disofenin | | | | | |
| A9511 | K | Technetium TC 99m depreotide | 1095 | 0.25 | $13.00 | | $2.60 |
| A9600 | K | Strontium-89 chloride | 0701 | 6.43 | $334.42 | | $66.88 |
| A9605 | K | Samarium sm153 lexidronamm | 0702 | 15.02 | $781.18 | | $156.24 |
| A9700 | G | Echocardiography Contrast | 9016 | | $118.75 | | $17.00 |
| A9900 | A | Supply/accessory/service | | | | | |
| A9901 | A | Delivery/set up/dispensing | | | | | |
| B4034 | A | Enter feed supkit syr by day | | | | | |
| B4035 | A | Enteral feed supp pump per d | | | | | |
| B4036 | A | Enteral feed sup kit grav by | | | | | |
| B4081 | A | Enteral ng tubing w/ stylet | | | | | |
| B4082 | A | Enteral ng tubing w/o stylet | | | | | |
| B4083 | A | Enteral stomach tube levine | | | | | |
| B4086 | A | Gastrostomy/jejunostomy tube | | | | | |
| B4150 | A | Enteral formulae category i | | | | | |
| B4151 | A | Enteral formulae cat1natural | | | | | |
| B4152 | A | Enteral formulae category ii | | | | | |
| B4153 | A | Enteral formulae categoryIII | | | | | |
| B4154 | A | Enteral formulae category IV | | | | | |
| B4155 | A | Enteral formulae category v | | | | | |
| B4156 | A | Enteral formulae category vi | | | | | |
| B4164 | A | Parenteral 50% dextrose solu | | | | | |
| B4168 | A | Parenteral sol amino acid 3. | | | | | |
| B4172 | A | Parenteral sol amino acid 5. | | | | | |
| B4176 | A | Parenteral sol amino acid 7- | | | | | |
| B4178 | A | Parenteral sol amino acid > | | | | | |
| B4180 | A | Parenteral sol carb > 50% | | | | | |
| B4184 | A | Parenteral sol lipids 10% | | | | | |
| B4186 | A | Parenteral sol lipids 20% | | | | | |
| B4189 | A | Parenteral sol amino acid & | | | | | |
| B4193 | A | Parenteral sol 52-73 gm prot | | | | | |
| B4197 | A | Parenteral sol 74-100 gm pro | | | | | |
| B4199 | A | Parenteral sol > 100gm prote | | | | | |
| B4216 | A | Parenteral nutrition additiv | | | | | |
| B4220 | A | Parenteral supply kit premix | | | | | |
| B4222 | A | Parenteral supply kit homemi | | | | | |
| B4224 | A | Parenteral administration ki | | | | | |
| B5000 | A | Parenteral sol renal-amirosy | | | | | |
| B5100 | A | Parenteral sol hepatic-fream | | | | | |
| B5200 | A | Parenteral sol stres-brnch c | | | | | |
| B9000 | A | Enter infusion pump w/o alrm | | | | | |
| B9002 | A | Enteral infusion pump w/ ala | | | | | |
| B9004 | A | Parenteral infus pump portab | | | | | |
| B9006 | A | Parenteral infus pump statio | | | | | |
| B9998 | A | Enteral supp not otherwise c | | | | | |
| B9999 | A | Parenteral supp not othrws c | | | | | |
| C1010 | K | Blood, L/R, CMV-NEG | 1010 | 1.67 | $86.86 | | $17.37 |
| C1011 | K | Platelets, HLA-m, L/R, unit | 1011 | 6.03 | $313.61 | | $62.72 |
| C1012 | K | PLATELET CONC, L/R, Irrad | 0954 | 1.59 | $82.69 | | $16.54 |
| C1013 | K | PLATELET CONC, L/R, Unit | 1013 | 0.91 | $47.33 | | $9.47 |
| C1014 | K | Platelet,Aph/Pher, L/R, unit | 9501 | 5.10 | $265.25 | | $53.05 |
| C1016 | K | BLOOD,L/R,FROZ/DEGLY/Washed | 1016 | 1.09 | $56.69 | | $11.34 |
| C1017 | K | Plt, APH/PHER,L/R,CMV-NEG | 1017 | 4.78 | $248.60 | | $49.72 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| C1018 | K | Blood, L/R, IRRADIATED | 1018 | 1.90 | $98.82 | | $19.76 |
| C1058 | G | TC 99M oxidronate, per vial | 1058 | | $36.74 | | $5.26 |
| C1064 | G | I-131 cap, each add mCi | 1064 | | $5.86 | | $.75 |
| C1065 | G | I-131 sol, each add mCi | 1065 | | $15.81 | | $2.03 |
| C1066 | N | IN 111 satumomab pendetide | | | | | |
| C1079 | N | CO 57/58 per 0.5 uCi | | | | | |
| C1087 | N | I-123 per 100 uCi | | | | | |
| C1088 | T | LASER OPTIC TR Sys | 0980 | | $1,875.00 | | $375.00 |
| C1091 | K | IN111 oxyquinoline,per0.5mCi | 1091 | 4.36 | $226.76 | | $45.35 |
| C1092 | K | IN 111 pentetate per 0.5 mCi | 1092 | 4.78 | $248.60 | | $49.72 |
| C1094 | N | TC99Malbumin aggr,per 1.0mCi | | | | | |
| C1096 | K | TC 99M EXAMETAZIME, PER Dose | 1096 | 3.35 | $174.23 | | $34.85 |
| C1097 | N | TC 99M MEBROFENIN, PER Vial | | | | | |
| C1098 | N | TC 99M PENTETATE, PER Vial | | | | | |
| C1099 | N | TC 99M PYROPHOSPHATE,PER Via. | | | | | |
| C1122 | K | Tc 99M ARCITUMOMAB PER VIAL | 1122 | 8.33 | $433.23 | | $86.65 |
| C1166 | N | CYTARABINE LIPOSOMAL, 10 mg | | | | | |
| C1167 | K | EPIRUBICIN HCL, 2 mg | 1167 | 0.32 | $16.64 | | $3.33 |
| C1178 | K | BUSULFAN IV, 6 Mg | 1178 | 0.53 | $27.56 | | $5.51 |
| C1188 | N | I-131 cap, per 1-5 mCi | | | | | |
| C1200 | N | TC 99M Sodium Glucoheptonat | | | | | |
| C1201 | N | TC 99M SUCCIMER, PER Vial | | | | | |
| C1202 | N | TC 99M SULFUR COLLOID, Vial | | | | | |
| C1207 | K | OCTREOTIDE ACETATE DEPOT 1mg. | 1207 | 1.22 | $63.45 | | $12.69 |
| C1300 | S | HYPERBARIC Oxygen | 0659 | 3.12 | $162.27 | | $32.45 |
| C1305 | K | Apligraf | 1305 | 12.47 | $648.55 | | $129.71 |
| C1348 | K | I-131 sol, per 1-6 mCi | 1348 | 0.19 | $9.88 | | $1.98 |
| C1713 | N | Anchor/screw bn/bn,tis/bn | | | | | |
| C1714 | N | Cath, trans atherectomy, dir | | | | | |
| C1715 | N | Brachytherapy needle | | | | | |
| C1716 | K | Brachytx seed, Gold 198 | 1716 | 0.35 | $18.20 | | $3.64 |
| C1717 | N | Brachytx seed, HDR Ir-192 | | | | | |
| C1718 | K | Brachytx seed, Iodine 125 | 1718 | 0.64 | $33.29 | | $6.66 |
| C1719 | K | Brachytx seed,Non-HDR Ir-192 | 1719 | 0.57 | $29.65 | | $5.93 |
| C1720 | K | Brachytx seed, Palladium 103 | 1720 | 0.89 | $46.29 | | $9.26 |
| C1721 | N | AICD, dual chamber | | | | | |
| C1722 | N | AICD, single chamber | | | | | |
| C1724 | N | Cath, trans atherec,rotation | | | | | |
| C1725 | N | Cath, translumin non-laser | | | | | |
| C1726 | N | Cath, bal dil, non-vascular | | | | | |
| C1727 | N | Cath, bal tis dis, non-vas | | | | | |
| C1728 | N | Cath, brachytx seed adm | | | | | |
| C1729 | N | Cath, drainage | | | | | |
| C1730 | N | Cath, EP, 19 or few elect | | | | | |
| C1731 | N | Cath, EP, 20 or more elec | | | | | |
| C1732 | N | Cath, EP, diag/abl, 3D/vect | | | | | |
| C1733 | N | Cath, EP, othr than cool-tip | | | | | |
| C1750 | N | Cath, hemodialysis,long-term | | | | | |
| C1751 | N | Cath, inf, per/cent/midline | | | | | |
| C1752 | N | Cath,hemodialysis,short-term | | | | | |
| C1753 | N | Cath, intravas ultrasound | | | | | |
| C1754 | N | Catheter, intradiscal | | | | | |
| C1755 | N | Catheter, intraspinal | | | | | |
| C1756 | N | Cath, pacing, transesoph | | | | | |
| C1757 | N | Cath, thrombectomy/embolect | | | | | |
| C1758 | N | Catheter, ureteral | | | | | |
| C1759 | N | Cath, intra echocardiography | | | | | |
| C1760 | N | Closure dev, vasc | | | | | |
| C1762 | N | Conn tiss, human(inc fascia) | | | | | |
| C1763 | N | Conn tiss, non-human | | | | | |
| C1764 | N | Event recorder, cardiac | | | | | |
| C1765 | H | Adhesion barrier | 1765 | | | | |
| C1766 | N | Intro/sheath,strble,non-peel | | | | | |
| C1767 | N | Generator, neurostim, imp | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| C1768 | N | Graft, vascular | | | | | |
| C1769 | N | Guide wire | | | | | |
| C1770 | N | Imaging coil, MR, insertable | | | | | |
| C1771 | N | Rep dev, urinary, w/sling | | | | | |
| C1772 | N | Infusion pump, programmable | | | | | |
| C1773 | N | Ret dev, insertable | | | | | |
| C1774 | G | Darbepoetin alfa, 1 mcg | 0734 | | $4.74 | | $.68 |
| C1775 | G | FDG, per dose (4-40 mCi/ml) | 1775 | | $475.00 | | $68.00 |
| C1776 | N | Joint device (implantable) | | | | | |
| C1777 | N | Lead, AICD, endo single coil | | | | | |
| C1778 | N | Lead, neurostimulator | | | | | |
| C1779 | N | Lead, pmkr, transvenous VDD | | | | | |
| C1780 | N | Lens, intraocular (new tech) | | | | | |
| C1781 | N | Mesh (implantable) | | | | | |
| C1782 | N | Morcellator | | | | | |
| C1783 | H | Ocular imp, aqueous drain dev | 1783 | | | | |
| C1784 | N | Ocular dev, intraop, det ret | | | | | |
| C1785 | N | Pmkr, dual, rate-resp | | | | | |
| C1786 | N | Pmkr, single, rate-resp | | | | | |
| C1787 | N | Patient progr, neurostim | | | | | |
| C1788 | N | Port, indwelling, imp | | | | | |
| C1789 | N | Prosthesis, breast, imp | | | | | |
| C1813 | N | Prosthesis, penile, inflatab | | | | | |
| C1815 | N | Pros, urinary sph, imp | | | | | |
| C1816 | N | Receiver/transmitter, neuro | | | | | |
| C1817 | N | Septal defect imp sys | | | | | |
| C1874 | N | Stent, coated/cov w/del sys | | | | | |
| C1875 | N | Stent, coated/cov w/o del sy | | | | | |
| C1876 | N | Stent, non-coa/non-cov w/del | | | | | |
| C1877 | N | Stent, non-coat/cov w/o del | | | | | |
| C1878 | N | Matrl for vocal cord | | | | | |
| C1879 | N | Tissue marker, implantable | | | | | |
| C1880 | N | Vena cava filter | | | | | |
| C1881 | N | Dialysis access system | | | | | |
| C1882 | N | AICD, other than sing/dual | | | | | |
| C1883 | N | Adapt/ext, pacing/neuro lead | | | | | |
| C1885 | N | Cath, translumin angio laser | | | | | |
| C1887 | N | Catheter, guiding | | | | | |
| C1888 | H | Endovas non-cardiac abl cath | 1888 | | | | |
| C1891 | N | Infusion pump,non-prog, perm | | | | | |
| C1892 | N | Intro/sheath,fixed,peel-away | | | | | |
| C1893 | N | Intro/sheath, fixed,non-peel | | | | | |
| C1894 | N | Intro/sheath, non-laser | | | | | |
| C1895 | N | Lead, AICD, endo dual coil | | | | | |
| C1896 | N | Lead, AICD, non sing/dual | | | | | |
| C1897 | N | Lead, neurostim test kit | | | | | |
| C1898 | N | Lead, pmkr, other than trans | | | | | |
| C1899 | N | Lead, pmkr/AICD combination | | | | | |
| C1900 | H | Lead coronary venous | 1900 | | | | |
| C2615 | N | Sealant, pulmonary, liquid | | | | | |
| C2616 | N | Brachytx seed, Yttrium-90 | | | | | |
| C2617 | N | Stent, non-cor, tem w/o del | | | | | |
| C2618 | H | Probe, cryoablation | 2618 | | | | |
| C2619 | N | Pmkr, dual, non rate-resp | | | | | |
| C2620 | N | Pmkr, single, non rate-resp | | | | | |
| C2621 | N | Pmkr, other than sing/dual | | | | | |
| C2622 | N | Prosthesis, penile, non-inf | | | | | |
| C2625 | N | Stent, non-cor, tem w/del sy | | | | | |
| C2626 | N | Infusion pump, non-prog,temp | | | | | |
| C2627 | N | Cath, suprapubic/cystoscopic | | | | | |
| C2628 | N | Catheter, occlusion | | | | | |
| C2629 | N | Intro/sheath, laser | | | | | |
| C2630 | N | Cath, EP, cool-tip | | | | | |
| C2631 | N | Rep dev, urinary, w/o sling | | | | | |
| C8900 | S | MRA w/cont, abd | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| C8901 | S | MRA w/o cont, abd | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| C8902 | S | MRA w/o fol w/cont, abd | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| C8903 | S | MRI w/cont, breast, uni | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| C8904 | S | MRI w/o cont, breast, uni | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| C8905 | S | MRI w/o fol w/cont, brst, un | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| C8906 | S | MRI w/cont, breast, bi | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| C8907 | S | MRI w/o cont, breast, bi | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| C8908 | S | MRI w/o fol w/cont, breast, | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| C8909 | S | MRA w/cont, chest | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| C8910 | S | MRA w/o cont, chest | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| C8911 | S | MRA w/o fol w/cont, chest | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| C8912 | S | MRA w/cont, lwr ext | 0284 | 7.74 | $402.55 | $201.02 | $80.51 |
| C8913 | S | MRA w/o cont, lwr ext | 0336 | 7.01 | $364.58 | $176.94 | $72.92 |
| C8914 | S | MRA w/o fol w/cont, lwr ext | 0337 | 9.86 | $512.81 | $240.77 | $102.56 |
| C9000 | N | Na chromateCr51, per 0.25mCi | | | | | |
| C9003 | K | Palivizumab, per 50 mg | 9003 | 9.34 | $485.76 | | $97.15 |
| C9007 | N | Baclofen Intrathecal kit-1am | | | | | |
| C9008 | N | Baclofen Refill Kit-500mcg | | | | | |
| C9009 | K | Baclofen Refill Kit-2000mcg | 9009 | 0.79 | $41.09 | | $8.22 |
| C9010 | K | Baclofen Refill Kit--4000mcg | 9010 | 0.95 | $49.41 | | $9.88 |
| C9013 | N | Co 57 cobaltous chloride | | | | | |
| C9019 | G | Caspofungin acetate, 5 mg | 9019 | | $34.20 | | $4.90 |
| C9020 | K | Sirolimussolution, 1 mg | 9020 | 0.05 | $2.60 | | $.52 |
| C9100 | N | Iodinated I-131 Albumin | | | | | |
| C9102 | N | 51 Na Chromate, 50mCi | | | | | |
| C9103 | N | Na Iothalamate I-125, 10 uCi | | | | | |
| C9105 | K | Hep B imm glob, per 1 ml | 9105 | 1.58 | $82.17 | | $16.43 |
| C9108 | K | Thyrotropin alfa, 1.1 mg | 9108 | 8.79 | $457.16 | | $91.43 |
| C9109 | K | Tirofiban hcl, 6.25 mg | 9109 | 2.32 | $120.66 | | $24.13 |
| C9110 | G | Alemtuzumab, per 10mg/ml | 9110 | | $486.88 | | $69.70 |
| C9111 | G | Inj, bivalirudin, 250mg vial | 9111 | | $397.81 | | $56.95 |
| C9112 | G | Perflutren lipid micro, 2ml | 9112 | | $148.20 | | $21.22 |
| C9113 | G | Inj pantoprazole sodium, via | 9113 | | $22.80 | | $3.26 |
| C9114 | G | Nesiritide, per 1.5 mg vial | 9114 | | $433.20 | | $62.02 |
| C9115 | G | Inj, zoledronic acid, 2 mg | 9115 | | $406.78 | | $58.23 |
| C9200 | G | Orcel, per 36 cm2 | 9200 | | $1,135.25 | | $162.52 |
| C9201 | G | Dermagraft, per 37.5 sq cm | 9201 | | $577.60 | | $82.69 |
| C9503 | K | Fresh frozen plasma, ea unit | 9503 | 0.77 | $40.05 | | $8.01 |
| C9701 | T | Stretta System | 0980 | | $1,875.00 | | $375.00 |
| C9703 | T | Bard Endoscopic Suturing Sys | 0979 | | $1,625.00 | | $325.00 |
| C9708 | T | Preview Tx Planning Software | 0973 | | $250.00 | | $50.00 |
| C9711 | T | H.E.L.P. Apheresis System | 0978 | | $1,375.00 | | $275.00 |
| D0120 | E | Periodic oral evaluation | | | | | |
| D0140 | E | Limit oral eval problm focus | | | | | |
| D0150 | S | Comprehensve oral evaluation | 0330 | 0.64 | $33.29 | | $6.66 |
| D0160 | E | Extensv oral eval prob focus | | | | | |
| D0170 | E | Re-eval,est pt,problem focus | | | | | |
| D0210 | E | Intraor complete film series | | | | | |
| D0220 | E | Intraoral periapical first f | | | | | |
| D0230 | E | Intraoral periapical ea add | | | | | |
| D0240 | S | Intraoral occlusal film | 0330 | 0.64 | $33.29 | | $6.66 |
| D0250 | S | Extraoral first film | 0330 | 0.64 | $33.29 | | $6.66 |
| D0260 | S | Extraoral ea additional film | 0330 | 0.64 | $33.29 | | $6.66 |
| D0270 | S | Dental bitewing single film | 0330 | 0.64 | $33.29 | | $6.66 |
| D0272 | S | Dental bitewings two films | 0330 | 0.64 | $33.29 | | $6.66 |
| D0274 | S | Dental bitewings four films | 0330 | 0.64 | $33.29 | | $6.66 |
| D0277 | S | Vert bitewings-sev to eight | 0330 | 0.64 | $33.29 | | $6.66 |
| D0290 | E | Dental film skull/facial bon | | | | | |
| D0310 | E | Dental saliography | | | | | |
| D0320 | E | Dental tmj arthrogram incl i | | | | | |
| D0321 | E | Dental other tmj films | | | | | |
| D0322 | E | Dental tomographic survey | | | | | |
| D0330 | E | Dental panoramic film | | | | | |
| D0340 | E | Dental cephalometric film | | | | | |
| D0350 | E | Oral/facial images | | | | | |
| D0415 | E | Bacteriologic study | | | | | |
| D0425 | E | Caries susceptibility test | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D0460 | S | Pulp vitality test | 0330 | 0.64 | $33.29 | | $6.66 |
| D0470 | E | Diagnostic casts | | | | | |
| D0472 | S | Gross exam, prep & report | 0330 | 0.64 | $33.29 | | $6.66 |
| D0473 | S | Micro exam, prep & report | 0330 | 0.64 | $33.29 | | $6.66 |
| D0474 | S | Micro w exam of surg margins | 0330 | 0.64 | $33.29 | | $6.66 |
| D0480 | S | Cytopath smear prep & report | 0330 | 0.64 | $33.29 | | $6.66 |
| D0501 | S | Histopathologic examinations | 0330 | 0.64 | $33.29 | | $6.66 |
| D0502 | S | Other oral pathology procedu | 0330 | 0.64 | $33.29 | | $6.66 |
| D0999 | S | Unspecified diagnostic proce | 0330 | 0.64 | $33.29 | | $6.66 |
| D1110 | E | Dental prophylaxis adult | | | | | |
| D1120 | E | Dental prophylaxis child | | | | | |
| D1201 | E | Topical fluor w prophy child | | | | | |
| D1203 | E | Topical fluor w/o prophy chi | | | | | |
| D1204 | E | Topical fluor w/o prophy adu | | | | | |
| D1205 | E | Topical fluoride w/ prophy a | | | | | |
| D1310 | E | Nutri counsel-control caries | | | | | |
| D1320 | E | Tobacco counseling | | | | | |
| D1330 | E | Oral hygiene instruction | | | | | |
| D1351 | E | Dental sealant per tooth | | | | | |
| D1510 | S | Space maintainer fxd unilat | 0330 | 0.64 | $33.29 | | $6.66 |
| D1515 | S | Fixed bilat space maintainer | 0330 | 0.64 | $33.29 | | $6.66 |
| D1520 | S | Remove unilat space maintain | 0330 | 0.64 | $33.29 | | $6.66 |
| D1525 | S | Remove bilat space maintain | 0330 | 0.64 | $33.29 | | $6.66 |
| D1550 | S | Recement space maintainer | 0330 | 0.64 | $33.29 | | $6.66 |
| D2110 | E | Amalgam one surface primary | | | | | |
| D2120 | E | Amalgam two surfaces primary | | | | | |
| D2130 | E | Amalgam three surfaces prima | | | | | |
| D2131 | E | Amalgam four/more surf prima | | | | | |
| D2140 | E | Amalgam one surface permanen | | | | | |
| D2150 | E | Amalgam two surfaces permane | | | | | |
| D2160 | E | Amalgam three surfaces perma | | | | | |
| D2161 | E | Amalgam 4 or > surfaces perm | | | | | |
| D2330 | E | Resin one surface-anterior | | | | | |
| D2331 | E | Resin two surfaces-anterior | | | | | |
| D2332 | E | Resin three surfaces-anterio | | | | | |
| D2335 | E | Resin 4/> surf or w incis an | | | | | |
| D2336 | E | Composite resin crown | | | | | |
| D2337 | E | Compo resin crown ant-perm | | | | | |
| D2380 | E | Resin one surf poster primar | | | | | |
| D2381 | E | Resin two surf poster primar | | | | | |
| D2382 | E | Resin three/more surf post p | | | | | |
| D2385 | E | Resin one surf poster perman | | | | | |
| D2386 | E | Resin two surf poster perman | | | | | |
| D2387 | E | Resin three/more surf post p | | | | | |
| D2388 | E | Resin four/more, post perm | | | | | |
| D2410 | E | Dental gold foil one surface | | | | | |
| D2420 | E | Dental gold foil two surface | | | | | |
| D2430 | E | Dental gold foil three surfa | | | | | |
| D2510 | E | Dental inlay metalic 1 surf | | | | | |
| D2520 | E | Dental inlay metallic 2 surf | | | | | |
| D2530 | E | Dental inlay metl 3/more sur | | | | | |
| D2542 | E | Dental onlay metallic 2 surf | | | | | |
| D2543 | E | Dental onlay metallic 3 surf | | | | | |
| D2544 | E | Dental onlay metl 4/more sur | | | | | |
| D2610 | E | Inlay porcelain/ceramic 1 su | | | | | |
| D2620 | E | Inlay porcelain/ceramic 2 su | | | | | |
| D2630 | E | Dental onlay porc 3/more sur | | | | | |
| D2642 | E | Dental onlay porcelin 2 surf | | | | | |
| D2643 | E | Dental onlay porcelin 3 surf | | | | | |
| D2644 | E | Dental onlay porc 4/more sur | | | | | |
| D2650 | E | Inlay composite/resin one su | | | | | |
| D2651 | E | Inlay composite/resin two su | | | | | |
| D2652 | E | Dental inlay resin 3/mre sur | | | | | |
| D2662 | E | Dental onlay resin 2 surface | | | | | |
| D2663 | E | Dental onlay resin 3 surface | | | | | |
| D2664 | E | Dental onlay resin 4/mre sur | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D2710 | E | Crown resin laboratory | | | | | |
| D2720 | E | Crown resin w/ high noble me | | | | | |
| D2721 | E | Crown resin w/ base metal | | | | | |
| D2722 | E | Crown resin w/ noble metal | | | | | |
| D2740 | E | Crown porcelain/ceramic subs | | | | | |
| D2750 | E | Crown porcelain w/ h noble m | | | | | |
| D2751 | E | Crown porcelain fused base m | | | | | |
| D2752 | E | Crown porcelain w/ noble met | | | | | |
| D2780 | E | Crown 3/4 cast hi noble met | | | | | |
| D2781 | E | Crown 3/4 cast base metal | | | | | |
| D2782 | E | Crown 3/4 cast noble metal | | | | | |
| D2783 | E | Crown 3/4 porcelain/ceramic | | | | | |
| D2790 | E | Crown full cast high noble m | | | | | |
| D2791 | E | Crown full cast base metal | | | | | |
| D2792 | E | Crown full cast noble metal | | | | | |
| D2799 | E | Provisional crown | | | | | |
| D2910 | E | Dental recement inlay | | | | | |
| D2920 | E | Dental recement crown | | | | | |
| D2930 | E | Prefab stnlss steel crwn pri | | | | | |
| D2931 | E | Prefab stnlss steel crown pe | | | | | |
| D2932 | E | Prefabricated resin crown | | | | | |
| D2933 | E | Prefab stainless steel crown | | | | | |
| D2940 | E | Dental sedative filling | | | | | |
| D2950 | E | Core build-up incl any pins | | | | | |
| D2951 | E | Tooth pin retention | | | | | |
| D2952 | E | Post and core cast + crown | | | | | |
| D2953 | E | Each addtnl cast post | | | | | |
| D2954 | E | Prefab post/core + crown | | | | | |
| D2955 | E | Post removal | | | | | |
| D2957 | E | Each addtnl prefab post | | | | | |
| D2960 | E | Laminate labial veneer | | | | | |
| D2961 | E | Lab labial veneer resin | | | | | |
| D2962 | E | Lab labial veneer porcelain | | | | | |
| D2970 | S | Temporary- fractured tooth | 0330 | 0.64 | $33.29 | | $6.66 |
| D2980 | E | Crown repair | | | | | |
| D2999 | S | Dental unspec restorative pr | 0330 | 0.64 | $33.29 | | $6.66 |
| D3110 | E | Pulp cap direct | | | | | |
| D3120 | E | Pulp cap indirect | | | | | |
| D3220 | E | Therapeutic pulpotomy | | | | | |
| D3221 | E | Gross pulpal debridement | | | | | |
| D3230 | E | Pulpal therapy anterior prim | | | | | |
| D3240 | E | Pulpal therapy posterior pri | | | | | |
| D3310 | E | Anterior | | | | | |
| D3320 | E | Root canal therapy 2 canals | | | | | |
| D3330 | E | Root canal therapy 3 canals | | | | | |
| D3331 | E | Non-surg tx root canal obs | | | | | |
| D3332 | E | Incomplete endodontic tx | | | | | |
| D3333 | E | Internal root repair | | | | | |
| D3346 | E | Retreat root canal anterior | | | | | |
| D3347 | E | Retreat root canal bicuspid | | | | | |
| D3348 | E | Retreat root canal molar | | | | | |
| D3351 | E | Apexification/recalc initial | | | | | |
| 0001T | C | Endovas repr abdo ao aneurys | | | | | |
| D3352 | E | Apexification/recalc interim | | | | | |
| D3353 | E | Apexification/recalc final | | | | | |
| D3410 | E | Apicoect/perirad surg anter | | | | | |
| D3421 | E | Root surgery bicuspid | | | | | |
| D3425 | E | Root surgery molar | | | | | |
| D3426 | E | Root surgery ea add root | | | | | |
| D3430 | E | Retrograde filling | | | | | |
| D3450 | E | Root amputation | | | | | |
| D3460 | S | Endodontic endosseous implan | 0330 | 0.64 | $33.29 | | $6.66 |
| D3470 | E | Intentional replantation | | | | | |
| D3910 | E | Isolation- tooth w rubb dam | | | | | |
| D3920 | E | Tooth splitting | | | | | |
| D3950 | E | Canal prep/fitting of dowel | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D3999 | S | Endodontic procedure | 0330 | 0.64 | $33.29 | | $6.66 |
| D4210 | E | Gingivectomy/plasty per quad | | | | | |
| D4211 | E | Gingivectomy/plasty per toot | | | | | |
| D4220 | E | Gingival curettage per quadr | | | | | |
| D4240 | E | Gingival flap proc w/ planin | | | | | |
| D4245 | E | Apically positioned flap | | | | | |
| D4249 | E | Crown lengthen hard tissue | | | | | |
| D4260 | S | Osseous surgery per quadrant | 0330 | 0.64 | $33.29 | | $6.66 |
| D4263 | S | Bone replce graft first site | 0330 | 0.64 | $33.29 | | $6.66 |
| D4264 | S | Bone replce graft each add | 0330 | 0.64 | $33.29 | | $6.66 |
| D4266 | E | Guided tiss regen resorble | | | | | |
| D4267 | E | Guided tiss regen nonresorb | | | | | |
| D4268 | S | Surgical revision procedure | 0330 | 0.64 | $33.29 | | $6.66 |
| D4270 | S | Pedicle soft tissue graft pr | 0330 | 0.64 | $33.29 | | $6.66 |
| D4271 | S | Free soft tissue graft proc | 0330 | 0.64 | $33.29 | | $6.66 |
| D4273 | S | Subepithelial tissue graft | 0330 | 0.64 | $33.29 | | $6.66 |
| D4274 | E | Distal/proximal wedge proc | | | | | |
| D4320 | E | Provision splnt intracoronal | | | | | |
| D4321 | E | Provisional splint extracoro | | | | | |
| D4341 | E | Periodontal scaling & root | | | | | |
| D4355 | S | Full mouth debridement | 0330 | 0.64 | $33.29 | | $6.66 |
| D4381 | S | Localized chemo delivery | 0330 | 0.64 | $33.29 | | $6.66 |
| D4910 | E | Periodontal maint procedures | | | | | |
| D4920 | E | Unscheduled dressing change | | | | | |
| D4999 | E | Unspecified periodontal proc | | | | | |
| D5110 | E | Dentures complete maxillary | | | | | |
| D5120 | E | Dentures complete mandible | | | | | |
| D5130 | E | Dentures immediat maxillary | | | | | |
| D5140 | E | Dentures immediat mandible | | | | | |
| D5211 | E | Dentures maxill part resin | | | | | |
| D5212 | E | Dentures mand part resin | | | | | |
| D5213 | E | Dentures maxill part metal | | | | | |
| D5214 | E | Dentures mandibl part metal | | | | | |
| D5281 | E | Removable partial denture | | | | | |
| D5410 | E | Dentures adjust cmplt maxil | | | | | |
| D5411 | E | Dentures adjust cmplt mand | | | | | |
| D5421 | E | Dentures adjust part maxill | | | | | |
| D5422 | E | Dentures adjust part mandbl | | | | | |
| D5510 | E | Dentur repr broken compl bas | | | | | |
| D5520 | E | Replace denture teeth complt | | | | | |
| D5610 | E | Dentures repair resin base | | | | | |
| D5620 | E | Rep part denture cast frame | | | | | |
| D5630 | E | Rep partial denture clasp | | | | | |
| D5640 | E | Replace part denture teeth | | | | | |
| D5650 | E | Add tooth to partial denture | | | | | |
| D5660 | E | Add clasp to partial denture | | | | | |
| D5710 | E | Dentures rebase cmplt maxil | | | | | |
| D5711 | E | Dentures rebase cmplt mand | | | | | |
| D5720 | E | Dentures rebase part maxill | | | | | |
| D5721 | E | Dentures rebase part mandbl | | | | | |
| D5730 | E | Denture reln cmplt maxil ch | | | | | |
| D5731 | E | Denture reln cmplt mand chr | | | | | |
| D5740 | E | Denture reln part maxil chr | | | | | |
| D5741 | E | Denture reln part mand chr | | | | | |
| D5750 | E | Denture reln cmplt max lab | | | | | |
| D5751 | E | Denture reln cmplt mand lab | | | | | |
| D5760 | E | Denture reln part maxil lab | | | | | |
| D5761 | E | Denture reln part mand lab | | | | | |
| D5810 | E | Denture interm cmplt maxill | | | | | |
| D5811 | E | Denture interm cmplt mandbl | | | | | |
| D5820 | E | Denture interm part maxill | | | | | |
| D5821 | E | Denture interm part mandbl | | | | | |
| D5850 | E | Denture tiss conditn maxill | | | | | |
| D5851 | E | Denture tiss condtin mandbl | | | | | |
| D5860 | E | Overdenture complete | | | | | |
| D5861 | E | Overdenture partial | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D5862 | E | Precision attachment | | | | | |
| D5867 | E | Replacement of precision att | | | | | |
| D5875 | E | Prosthesis modification | | | | | |
| D5899 | E | Removable prosthodontic proc | | | | | |
| D5911 | S | Facial moulage sectional | 0330 | 0.64 | $33.29 | | $6.66 |
| D5912 | S | Facial moulage complete | 0330 | 0.64 | $33.29 | | $6.66 |
| D5913 | E | Nasal prosthesis | | | | | |
| D5914 | E | Auricular prosthesis | | | | | |
| D5915 | E | Orbital prosthesis | | | | | |
| D5916 | E | Ocular prosthesis | | | | | |
| D5919 | E | Facial prosthesis | | | | | |
| D5922 | E | Nasal septal prosthesis | | | | | |
| D5923 | E | Ocular prosthesis interim | | | | | |
| D5924 | E | Cranial prosthesis | | | | | |
| D5925 | E | Facial augmentation implant | | | | | |
| D5926 | E | Replacement nasal prosthesis | | | | | |
| D5927 | E | Auricular replacement | | | | | |
| D5928 | E | Orbital replacement | | | | | |
| D5929 | E | Facial replacement | | | | | |
| D5931 | E | Surgical obturator | | | | | |
| D5932 | E | Postsurgical obturator | | | | | |
| D5933 | E | Refitting of obturator | | | | | |
| D5934 | E | Mandibular flange prosthesis | | | | | |
| D5935 | E | Mandibular denture prosth | | | | | |
| D5936 | E | Temp obturator prosthesis | | | | | |
| D5937 | E | Trismus appliance | | | | | |
| D5951 | E | Feeding aid | | | | | |
| D5952 | E | Pediatric speech aid | | | | | |
| D5953 | E | Adult speech aid | | | | | |
| D5954 | E | Superimposed prosthesis | | | | | |
| D5955 | E | Palatal lift prosthesis | | | | | |
| D5958 | E | Intraoral con def inter plt | | | | | |
| D5959 | E | Intraoral con def mod palat | | | | | |
| D5960 | E | Modify speech aid prosthesis | | | | | |
| D5982 | E | Surgical stent | | | | | |
| D5983 | S | Radiation applicator | 0330 | 0.64 | $33.29 | | $6.66 |
| D5984 | S | Radiation shield | 0330 | 0.64 | $33.29 | | $6.66 |
| D5985 | S | Radiation cone locator | 0330 | 0.64 | $33.29 | | $6.66 |
| D5986 | E | Fluoride applicator | | | | | |
| D5987 | S | Commissure splint | 0330 | 0.64 | $33.29 | | $6.66 |
| D5988 | E | Surgical splint | | | | | |
| D5999 | E | Maxillofacial prosthesis | | | | | |
| D6010 | E | Odontics endosteal implant | | | | | |
| D6020 | E | Odontics abutment placement | | | | | |
| D6040 | E | Odontics eposteal implant | | | | | |
| D6050 | E | Odontics transosteal implnt | | | | | |
| D6055 | E | Implant connecting bar | | | | | |
| D6056 | E | Prefabricated abutment | | | | | |
| D6057 | E | Custom abutment | | | | | |
| D6058 | E | Abutment supported crown | | | | | |
| D6059 | E | Abutment supported mtl crown | | | | | |
| D6060 | E | Abutment supported mtl crown | | | | | |
| D6061 | E | Abutment supported mtl crown | | | | | |
| D6062 | E | Abutment supported mtl crown | | | | | |
| D6063 | E | Abutment supported mtl crown | | | | | |
| D6064 | E | Abutment supported mtl crown | | | | | |
| D6065 | E | Implant supported crown | | | | | |
| D6066 | E | Implant supported mtl crown | | | | | |
| D6067 | E | Implant supported mtl crown | | | | | |
| D6068 | E | Abutment supported retainer | | | | | |
| D6069 | E | Abutment supported retainer | | | | | |
| D6070 | E | Abutment supported retainer | | | | | |
| D6071 | E | Abutment supported retainer | | | | | |
| D6072 | E | Abutment supported retainer | | | | | |
| D6073 | E | Abutment supported retainer | | | | | |
| D6074 | E | Abutment supported retainer | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D6075 | E | Implant supported retainer | | | | | |
| D6076 | E | Implant supported retainer | | | | | |
| D6077 | E | Implant supported retainer | | | | | |
| D6078 | E | Implnt/abut suprtd fixd dent | | | | | |
| D6079 | E | Implnt/abut suprtd fixd dent | | | | | |
| D6080 | E | Implant maintenance | | | | | |
| D6090 | E | Repair implant | | | | | |
| D6095 | E | Odontics repr abutment | | | | | |
| D6100 | E | Removal of implant | | | | | |
| D6199 | E | Implant procedure | | | | | |
| D6210 | E | Prosthodont high noble metal | | | | | |
| D6211 | E | Bridge base metal cast | | | | | |
| D6212 | E | Bridge noble metal cast | | | | | |
| D6240 | E | Bridge porcelain high noble | | | | | |
| D6241 | E | Bridge porcelain base metal | | | | | |
| D6242 | E | Bridge porcelain nobel metal | | | | | |
| D6245 | E | Bridge porcelain/ceramic | | | | | |
| D6250 | E | Bridge resin w/high noble | | | | | |
| D6251 | E | Bridge resin base metal | | | | | |
| D6252 | E | Bridge resin w/noble metal | | | | | |
| D6519 | E | Inlay/onlay porce/ceramic | | | | | |
| D6520 | E | Dental retainer two surfaces | | | | | |
| D6530 | E | Retainer metallic 3+ surface | | | | | |
| D6543 | E | Dental retainr onlay 3 surf | | | | | |
| D6544 | E | Dental retainr onlay 4/more | | | | | |
| D6545 | E | Dental retainr cast metl | | | | | |
| D6548 | E | Porcelain/ceramic retainer | | | | | |
| D6720 | E | Retain crown resin w hi nble | | | | | |
| D6721 | E | Crown resin w/base metal | | | | | |
| D6722 | E | Crown resin w/noble metal | | | | | |
| D6740 | E | Crown porcelain/ceramic | | | | | |
| D6750 | E | Crown porcelain high noble | | | | | |
| D6751 | E | Crown porcelain base metal | | | | | |
| D6752 | E | Crown porcelain noble metal | | | | | |
| D6780 | E | Crown 3/4 high noble metal | | | | | |
| D6781 | E | Crown 3/4 cast based metal | | | | | |
| D6782 | E | Crown 3/4 cast noble metal | | | | | |
| D6783 | E | Crown 3/4 porcelain/ceramic | | | | | |
| D6790 | E | Crown full high noble metal | | | | | |
| D6791 | E | Crown full base metal cast | | | | | |
| D6792 | E | Crown full noble metal cast | | | | | |
| D6920 | S | Dental connector bar | 0330 | 0.64 | $33.29 | | $6.66 |
| D6930 | E | Dental recement bridge | | | | | |
| D6940 | E | Stress breaker | | | | | |
| D6950 | E | Precision attachment | | | | | |
| D6970 | E | Post & core plus retainer | | | | | |
| D6971 | E | Cast post bridge retainer | | | | | |
| D6972 | E | Prefab post & core plus reta | | | | | |
| D6973 | E | Core build up for retainer | | | | | |
| D6975 | E | Coping metal | | | | | |
| D6976 | E | Each addtnl cast post | | | | | |
| D6977 | E | Each addtl prefab post | | | | | |
| D6980 | E | Bridge repair | | | | | |
| D6999 | E | Fixed prosthodontic proc | | | | | |
| D7110 | S | Oral surgery single tooth | 0330 | 0.64 | $33.29 | | $6.66 |
| D7120 | S | Each add tooth extraction | 0330 | 0.64 | $33.29 | | $6.66 |
| D7130 | S | Tooth root removal | 0330 | 0.64 | $33.29 | | $6.66 |
| D7210 | S | Rem imp tooth w mucoper flp | 0330 | 0.64 | $33.29 | | $6.66 |
| D7220 | S | Impact tooth remov soft tiss | 0330 | 0.64 | $33.29 | | $6.66 |
| D7230 | S | Impact tooth remov part bony | 0330 | 0.64 | $33.29 | | $6.66 |
| D7240 | S | Impact tooth remov comp bony | 0330 | 0.64 | $33.29 | | $6.66 |
| D7241 | S | Impact tooth rem bony w/comp | 0330 | 0.64 | $33.29 | | $6.66 |
| D7250 | S | Tooth root removal | 0330 | 0.64 | $33.29 | | $6.66 |
| D7260 | S | Oral antral fistula closure | 0330 | 0.64 | $33.29 | | $6.66 |
| D7270 | E | Tooth reimplantation | | | | | |
| D7272 | E | Tooth transplantation | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D7280 | E | Exposure impact tooth orthod | | | | | |
| D7281 | E | Exposure tooth aid eruption | | | | | |
| D7285 | E | Biopsy of oral tissue hard | | | | | |
| D7286 | E | Biopsy of oral tissue soft | | | | | |
| D7290 | E | Repositioning of teeth | | | | | |
| D7291 | S | Transseptal fiberotomy | 0330 | 0.64 | $33.29 | | $6.66 |
| D7310 | E | Alveoplasty w/ extraction | | | | | |
| D7320 | E | Alveoplasty w/o extraction | | | | | |
| D7340 | E | Vestibuloplasty ridge extens | | | | | |
| D7350 | E | Vestibuloplasty exten graft | | | | | |
| D7410 | E | Rad exc lesion up to 1.25 cm | | | | | |
| D7420 | E | Lesion > 1.25 cm | | | | | |
| D7430 | E | Exc benign tumor to 1.25 cm | | | | | |
| D7431 | E | Benign tumor exc > 1.25 cm | | | | | |
| D7440 | E | Malig tumor exc to 1.25 cm | | | | | |
| D7441 | E | Malig tumor > 1.25 cm | | | | | |
| D7450 | E | Rem odontogen cyst to 1.25cm | | | | | |
| D7451 | E | Rem odontogen cyst > 1.25 cm | | | | | |
| D7460 | E | Rem nonodonto cyst to 1.25cm | | | | | |
| D7461 | E | Rem nonodonto cyst > 1.25 cm | | | | | |
| D7465 | E | Lesion destruction | | | | | |
| D7471 | E | Rem exostosis any site | | | | | |
| D7480 | E | Partial ostectomy | | | | | |
| D7490 | E | Mandible resection | | | | | |
| D7510 | E | I&d absc intraoral soft tiss | | | | | |
| D7520 | E | I&d abscess extraoral | | | | | |
| D7530 | E | Removal fb skin/areolar tiss | | | | | |
| D7540 | E | Removal of fb reaction | | | | | |
| D7550 | E | Removal of sloughed off bone | | | | | |
| D7560 | E | Maxillary sinusotomy | | | | | |
| D7610 | E | Maxilla open reduct simple | | | | | |
| D7620 | E | Clsd reduct simpl maxilla fx | | | | | |
| D7630 | E | Open red simpl mandible fx | | | | | |
| D7640 | E | Clsd red simpl mandible fx | | | | | |
| D7650 | E | Open red simp malar/zygom fx | | | | | |
| D7660 | E | Clsd red simp malar/zygom fx | | | | | |
| D7670 | E | Closd rductn splint alveolus | | | | | |
| D7680 | E | Reduct simple facial bone fx | | | | | |
| D7710 | E | Maxilla open reduct compound | | | | | |
| D7720 | E | Clsd reduct compd maxilla fx | | | | | |
| D7730 | E | Open reduct compd mandble fx | | | | | |
| D7740 | E | Clsd reduct compd mandble fx | | | | | |
| D7750 | E | Open red comp malar/zygma fx | | | | | |
| D7760 | E | Clsd red comp malar/zygma fx | | | | | |
| D7770 | E | Open reduc compd alveolus fx | | | | | |
| D7780 | E | Reduct compnd facial bone fx | | | | | |
| D7810 | E | Tmj open reduct-dislocation | | | | | |
| D7820 | E | Closed tmp manipulation | | | | | |
| D7830 | E | Tmj manipulation under anest | | | | | |
| D7840 | E | Removal of tmj condyle | | | | | |
| D7850 | E | Tmj meniscectomy | | | | | |
| D7852 | E | Tmj repair of joint disc | | | | | |
| D7854 | E | Tmj excisn of joint membrane | | | | | |
| D7856 | E | Tmj cutting of a muscle | | | | | |
| D7858 | E | Tmj reconstruction | | | | | |
| D7860 | E | Tmj cutting into joint | | | | | |
| D7865 | E | Tmj reshaping components | | | | | |
| D7870 | E | Tmj aspiration joint fluid | | | | | |
| D7871 | E | Lysis + lavage w catheters | | | | | |
| D7872 | E | Tmj diagnostic arthroscopy | | | | | |
| D7873 | E | Tmj arthroscopy lysis adhesn | | | | | |
| D7874 | E | Tmj arthroscopy disc reposit | | | | | |
| D7875 | E | Tmj arthroscopy synovectomy | | | | | |
| D7876 | E | Tmj arthroscopy discectomy | | | | | |
| D7877 | E | Tmj arthroscopy debridement | | | | | |
| D7880 | E | Occlusal orthotic appliance | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D7899 | E | Tmj unspecified therapy | | | | | |
| D7910 | E | Dent sutur recent wnd to 5cm | | | | | |
| D7911 | E | Dental suture wound to 5 cm | | | | | |
| D7912 | E | Suture complicate wnd > 5 cm | | | | | |
| D7920 | E | Dental skin graft | | | | | |
| D7940 | S | Reshaping bone orthognathic | 0330 | 0.64 | $33.29 | | $6.66 |
| D7941 | E | Bone cutting ramus closed | | | | | |
| D7943 | E | Cutting ramus open w/graft | | | | | |
| D7944 | E | Bone cutting segmented | | | | | |
| D7945 | E | Bone cutting body mandible | | | | | |
| D7946 | E | Reconstruction maxilla total | | | | | |
| D7947 | E | Reconstruct maxilla segment | | | | | |
| D7948 | E | Reconstruct midface no graft | | | | | |
| D7949 | E | Reconstruct midface w/graft | | | | | |
| D7950 | E | Mandible graft | | | | | |
| D7955 | E | Repair maxillofacial defects | | | | | |
| D7960 | E | Frenulectomy/frenulotomy | | | | | |
| D7970 | E | Excision hyperplastic tissue | | | | | |
| D7971 | E | Excision pericoronal gingiva | | | | | |
| D7980 | E | Sialolithotomy | | | | | |
| D7981 | E | Excision of salivary gland | | | | | |
| D7982 | E | Sialodochoplasty | | | | | |
| D7983 | E | Closure of salivary fistula | | | | | |
| D7990 | E | Emergency tracheotomy | | | | | |
| D7991 | E | Dental coronoidectomy | | | | | |
| D7995 | E | Synthetic graft facial bones | | | | | |
| D7996 | E | Implant mandible for augment | | | | | |
| D7997 | E | Appliance removal | | | | | |
| D7999 | E | Oral surgery procedure | | | | | |
| D8010 | E | Limited dental tx primary | | | | | |
| D8020 | E | Limited dental tx transition | | | | | |
| D8030 | E | Limited dental tx adolescent | | | | | |
| D8040 | E | Limited dental tx adult | | | | | |
| D8050 | E | Intercep dental tx primary | | | | | |
| D8060 | E | Intercep dental tx transitn | | | | | |
| D8070 | E | Compre dental tx transition | | | | | |
| D8080 | E | Compre dental tx adolescent | | | | | |
| D8090 | E | Compre dental tx adult | | | | | |
| D8210 | E | Orthodontic rem appliance tx | | | | | |
| D8220 | E | Fixed appliance therapy habt | | | | | |
| D8660 | E | Preorthodontic tx visit | | | | | |
| D8670 | E | Periodic orthodontc tx visit | | | | | |
| D8680 | E | Orthodontic retention | | | | | |
| D8690 | E | Orthodontic treatment | | | | | |
| D8691 | E | Repair ortho appliance | | | | | |
| D8692 | E | Replacement retainer | | | | | |
| D8999 | E | Orthodontic procedure | | | | | |
| D9110 | N | Tx dental pain minor proc | | | | | |
| D9210 | E | Dent anesthesia w/o surgery | | | | | |
| D9211 | E | Regional block anesthesia | | | | | |
| D9212 | E | Trigeminal block anesthesia | | | | | |
| D9215 | E | Local anesthesia | | | | | |
| D9220 | E | General anesthesia | | | | | |
| D9221 | E | General anesthesia ea ad 15m | | | | | |
| D9230 | N | Analgesia | | | | | |
| D9241 | E | Intravenous sedation | | | | | |
| D9242 | E | IV sedation ea ad 30 m | | | | | |
| D9248 | N | Sedation (non-iv) | | | | | |
| D9310 | E | Dental consultation | | | | | |
| D9410 | E | Dental house call | | | | | |
| D9420 | E | Hospital call | | | | | |
| D9430 | E | Office visit during hours | | | | | |
| D9440 | E | Office visit after hours | | | | | |
| D9610 | E | Dent therapeutic drug inject | | | | | |
| D9630 | S | Other drugs/medicaments | 0330 | 0.64 | $33.29 | | $6.66 |
| D9910 | E | Dent appl desensitizing med | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| D9911 | E | Appl desensitizing resin | | | | | |
| D9920 | E | Behavior management | | | | | |
| D9930 | S | Treatment of complications | 0330 | 0.64 | $33.29 | | $6.66 |
| D9940 | S | Dental occlusal guard | 0330 | 0.64 | $33.29 | | $6.66 |
| D9941 | E | Fabrication athletic guard | | | | | |
| D9950 | S | Occlusion analysis | 0330 | 0.64 | $33.29 | | $6.66 |
| D9951 | S | Limited occlusal adjustment | 0330 | 0.64 | $33.29 | | $6.66 |
| D9952 | S | Complete occlusal adjustment | 0330 | 0.64 | $33.29 | | $6.66 |
| D9970 | E | Enamel microabrasion | | | | | |
| D9971 | E | Odontoplasty 1-2 teeth | | | | | |
| D9972 | E | Extrnl bleaching per arch | | | | | |
| D9973 | E | Extrnl bleaching per tooth | | | | | |
| D9974 | E | Intrnl bleaching per tooth | | | | | |
| D9999 | E | Adjunctive procedure | | | | | |
| E0100 | A | Cane adjust/fixed with tip | | | | | |
| E0105 | A | Cane adjust/fixed quad/3 pro | | | | | |
| E0110 | A | Crutch forearm pair | | | | | |
| E0111 | A | Crutch forearm each | | | | | |
| E0112 | A | Crutch underarm pair wood | | | | | |
| E0113 | A | Crutch underarm each wood | | | | | |
| E0114 | A | Crutch underarm pair no wood | | | | | |
| E0116 | A | Crutch underarm each no wood | | | | | |
| E0130 | A | Walker rigid adjust/fixed ht | | | | | |
| E0135 | A | Walker folding adjust/fixed | | | | | |
| E0141 | A | Rigid walker wheeled wo seat | | | | | |
| E0142 | A | Walker rigid wheeled with se | | | | | |
| E0143 | A | Walker folding wheeled w/o s | | | | | |
| E0144 | A | Enclosed walker w rear seat | | | | | |
| E0145 | A | Walker whled seat/crutch att | | | | | |
| E0146 | A | Folding walker wheels w seat | | | | | |
| E0147 | A | Walker variable wheel resist | | | | | |
| E0148 | A | Heavyduty walker no wheels | | | | | |
| E0149 | A | Heavy duty wheeled walker | | | | | |
| E0153 | A | Forearm crutch platform atta | | | | | |
| E0154 | A | Walker platform attachment | | | | | |
| E0155 | A | Walker wheel attachment,pair | | | | | |
| E0156 | A | Walker seat attachment | | | | | |
| E0157 | A | Walker crutch attachment | | | | | |
| E0158 | A | Walker leg extenders set of4 | | | | | |
| E0159 | A | Brake for wheeled walker | | | | | |
| E0160 | A | Sitz type bath or equipment | | | | | |
| E0161 | A | Sitz bath/equipment w/faucet | | | | | |
| E0162 | A | Sitz bath chair | | | | | |
| E0163 | A | Commode chair stationry fxd | | | | | |
| E0164 | A | Commode chair mobile fixed a | | | | | |
| E0165 | A | Commode chair stationry det | | | | | |
| E0166 | A | Commode chair mobile detach | | | | | |
| E0167 | A | Commode chair pail or pan | | | | | |
| E0168 | A | Heavyduty/wide commode chair | | | | | |
| E0169 | A | Seatlift incorp commodechair | | | | | |
| E0175 | A | Commode chair foot rest | | | | | |
| E0176 | A | Air pressre pad/cushion nonp | | | | | |
| E0177 | A | Water press pad/cushion nonp | | | | | |
| E0178 | A | Gel pressre pad/cushion nonp | | | | | |
| E0179 | A | Dry pressre pad/cushion nonp | | | | | |
| E0180 | A | Press pad alternating w pump | | | | | |
| E0181 | A | Press pad alternating w/ pum | | | | | |
| E0182 | A | Pressure pad alternating pum | | | | | |
| E0184 | A | Dry pressure mattress | | | | | |
| E0185 | A | Gel pressure mattress pad | | | | | |
| E0186 | A | Air pressure mattress | | | | | |
| E0187 | A | Water pressure mattress | | | | | |
| E0188 | E | Synthetic sheepskin pad | | | | | |
| E0189 | E | Lambswool sheepskin pad | | | | | |
| E0191 | A | Protector heel or elbow | | | | | |
| E0192 | A | Pad wheelchr low press/posit | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| E0193 | A | Powered air flotation bed | | | | | |
| E0194 | A | Air fluidized bed | | | | | |
| E0196 | A | Gel pressure mattress | | | | | |
| E0197 | A | Air pressure pad for mattres | | | | | |
| E0198 | A | Water pressure pad for mattr | | | | | |
| E0199 | A | Dry pressure pad for mattres | | | | | |
| E0200 | A | Heat lamp without stand | | | | | |
| E0202 | A | Phototherapy light w/ photom | | | | | |
| E0205 | A | Heat lamp with stand | | | | | |
| E0210 | A | Electric heat pad standard | | | | | |
| E0215 | A | Electric heat pad moist | | | | | |
| E0217 | A | Water circ heat pad w pump | | | | | |
| E0218 | E | Water circ cold pad w pump | | | | | |
| E0220 | A | Hot water bottle | | | | | |
| E0221 | A | Infrared heating pad system | | | | | |
| E0225 | A | Hydrocollator unit | | | | | |
| E0230 | A | Ice cap or collar | | | | | |
| E0231 | A | Wound warming device | | | | | |
| E0232 | A | Warming card for NWT | | | | | |
| E0235 | A | Paraffin bath unit portable | | | | | |
| E0236 | A | Pump for water circulating p | | | | | |
| E0238 | A | Heat pad non-electric moist | | | | | |
| E0239 | A | Hydrocollator unit portable | | | | | |
| E0241 | E | Bath tub wall rail | | | | | |
| E0242 | E | Bath tub rail floor | | | | | |
| E0243 | E | Toilet rail | | | | | |
| E0244 | E | Toilet seat raised | | | | | |
| E0245 | E | Tub stool or bench | | | | | |
| E0246 | E | Transfer tub rail attachment | | | | | |
| E0249 | A | Pad water circulating heat u | | | | | |
| E0250 | A | Hosp bed fixed ht w/ mattres | | | | | |
| E0251 | A | Hosp bed fixd ht w/o mattres | | | | | |
| E0255 | A | Hospital bed var ht w/ mattr | | | | | |
| E0256 | A | Hospital bed var ht w/o matt | | | | | |
| E0260 | A | Hosp bed semi-electr w/ matt | | | | | |
| E0261 | A | Hosp bed semi-electr w/o mat | | | | | |
| E0265 | A | Hosp bed total electr w/ mat | | | | | |
| E0266 | A | Hosp bed total elec w/o matt | | | | | |
| E0270 | E | Hospital bed institutional t | | | | | |
| E0271 | A | Mattress innerspring | | | | | |
| E0272 | A | Mattress foam rubber | | | | | |
| E0273 | E | Bed board | | | | | |
| E0274 | E | Over-bed table | | | | | |
| E0275 | A | Bed pan standard | | | | | |
| E0276 | A | Bed pan fracture | | | | | |
| E0277 | A | Powered pres-redu air mattrs | | | | | |
| E0280 | A | Bed cradle | | | | | |
| E0290 | A | Hosp bed fx ht w/o rails w/m | | | | | |
| E0291 | A | Hosp bed fx ht w/o rail w/o | | | | | |
| E0292 | A | Hosp bed var ht w/o rail w/o | | | | | |
| E0293 | A | Hosp bed var ht w/o rail w/ | | | | | |
| E0294 | A | Hosp bed semi-elect w/ mattr | | | | | |
| E0295 | A | Hosp bed semi-elect w/o matt | | | | | |
| E0296 | A | Hosp bed total elect w/ matt | | | | | |
| E0297 | A | Hosp bed total elect w/o mat | | | | | |
| E0305 | A | Rails bed side half length | | | | | |
| E0310 | A | Rails bed side full length | | | | | |
| E0315 | E | Bed accessory brd/tbl/supprt | | | | | |
| E0316 | A | Bed safety enclosure | | | | | |
| E0325 | A | Urinal male jug-type | | | | | |
| E0326 | A | Urinal female jug-type | | | | | |
| E0350 | E | Control unit bowel system | | | | | |
| E0352 | E | Disposable pack w/bowel syst | | | | | |
| E0370 | E | Air elevator for heel | | | | | |
| E0371 | A | Nonpower mattress overlay | | | | | |
| E0372 | A | Powered air mattress overlay | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| E0373 | A | Nonpowered pressure mattress | | | | | |
| E0424 | A | Stationary compressed gas 02 | | | | | |
| E0425 | E | Gas system stationary compre | | | | | |
| E0430 | E | Oxygen system gas portable | | | | | |
| E0431 | A | Portable gaseous 02 | | | | | |
| E0434 | A | Portable liquid 02 | | | | | |
| E0435 | E | Oxygen system liquid portabl | | | | | |
| E0439 | A | Stationary liquid 02 | | | | | |
| E0440 | E | Oxygen system liquid station | | | | | |
| E0441 | A | Oxygen contents, gaseous | | | | | |
| E0442 | A | Oxygen contents, liquid | | | | | |
| E0443 | A | Portable 02 contents, gas | | | | | |
| E0444 | A | Portable 02 contents, liquid | | | | | |
| E0450 | A | Volume vent stationary/porta | | | | | |
| E0455 | A | Oxygen tent excl croup/ped t | | | | | |
| E0457 | A | Chest shell | | | | | |
| E0459 | A | Chest wrap | | | | | |
| E0460 | A | Neg press vent portabl/statn | | | | | |
| E0462 | A | Rocking bed w/ or w/o side r | | | | | |
| E0480 | A | Percussor elect/pneum home m | | | | | |
| E0481 | A | Intrpulmnry percuss vent sys | | | | | |
| E0482 | A | Cough stimulating device | | | | | |
| E0500 | A | Ippb all types | | | | | |
| E0550 | A | Humidif extens supple w ippb | | | | | |
| E0555 | A | Humidifier for use w/ regula | | | | | |
| E0560 | A | Humidifier supplemental w/ i | | | | | |
| E0565 | A | Compressor air power source | | | | | |
| E0570 | A | Nebulizer with compression | | | | | |
| E0571 | A | Aerosol compressor for svneb | | | | | |
| E0572 | A | Aerosol compressor adjust pr | | | | | |
| E0574 | A | Ultrasonic generator w svneb | | | | | |
| E0575 | A | Nebulizer ultrasonic | | | | | |
| E0580 | A | Nebulizer for use w/ regulat | | | | | |
| E0585 | A | Nebulizer w/ compressor & he | | | | | |
| E0590 | A | Dispensing fee dme neb drug | | | | | |
| E0600 | A | Suction pump portab hom modl | | | | | |
| E0601 | A | Cont airway pressure device | | | | | |
| E0602 | E | Manual breast pump | | | | | |
| E0603 | A | Electric breast pump | | | | | |
| E0604 | A | Hosp grade elec breast pump | | | | | |
| E0605 | A | Vaporizer room type | | | | | |
| E0606 | A | Drainage board postural | | | | | |
| E0607 | A | Blood glucose monitor home | | | | | |
| E0608 | A | Apnea monitor | | | | | |
| E0610 | A | Pacemaker monitr audible/vis | | | | | |
| E0615 | A | Pacemaker monitr digital/vis | | | | | |
| E0616 | N | Cardiac event recorder | | | | | |
| E0617 | A | Automatic ext defibrillator | | | | | |
| E0620 | A | Cap bld skin piercing laser | | | | | |
| E0621 | A | Patient lift sling or seat | | | | | |
| E0625 | E | Patient lift bathroom or toi | | | | | |
| E0627 | A | Seat lift incorp lift-chair | | | | | |
| E0628 | A | Seat lift for pt furn-electr | | | | | |
| E0629 | A | Seat lift for pt furn-non-el | | | | | |
| E0630 | A | Patient lift hydraulic | | | | | |
| E0635 | A | Patient lift electric | | | | | |
| E0650 | A | Pneuma compresor non-segment | | | | | |
| E0651 | A | Pneum compressor segmental | | | | | |
| E0652 | A | Pneum compres w/cal pressure | | | | | |
| E0655 | A | Pneumatic appliance half arm | | | | | |
| E0660 | A | Pneumatic appliance full leg | | | | | |
| E0665 | A | Pneumatic appliance full arm | | | | | |
| E0666 | A | Pneumatic appliance half leg | | | | | |
| E0667 | A | Seg pneumatic appl full leg | | | | | |
| E0668 | A | Seg pneumatic appl full arm | | | | | |
| E0669 | A | Seg pneumatic appli half leg | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| E0671 | A | Pressure pneum appl full leg | | | | | |
| E0672 | A | Pressure pneum appl full arm | | | | | |
| E0673 | A | Pressure pneum appl half leg | | | | | |
| E0690 | A | Ultraviolet cabinet | | | | | |
| E0700 | E | Safety equipment | | | | | |
| E0710 | E | Restraints any type | | | | | |
| E0720 | A | Tens two lead | | | | | |
| E0730 | A | Tens four lead | | | | | |
| E0731 | A | Conductive garment for tens/ | | | | | |
| E0740 | E | Incontinence treatment systm | | | | | |
| E0744 | A | Neuromuscular stim for scoli | | | | | |
| E0745 | A | Neuromuscular stim for shock | | | | | |
| E0746 | E | Electromyograph biofeedback | | | | | |
| E0747 | A | Elec osteogen stim not spine | | | | | |
| E0748 | A | Elec osteogen stim spinal | | | | | |
| E0749 | N | Elec osteogen stim implanted | | | | | |
| E0752 | E | Neurostimulator electrode | | | | | |
| E0754 | A | Pulsegenerator pt programmer | | | | | |
| E0755 | E | Electronic salivary reflex s | | | | | |
| E0756 | E | Implantable pulse generator | | | | | |
| E0757 | E | Implantable RF receiver | | | | | |
| E0758 | A | External RF transmitter | | | | | |
| E0759 | A | Replace rdfrquncy transmittr | | | | | |
| E0760 | E | Osteogen ultrasound stimltor | | | | | |
| E0765 | E | Nerve stimulator for tx n&v | | | | | |
| E0776 | A | Iv pole | | | | | |
| E0779 | A | Amb infusion pump mechanical | | | | | |
| E0780 | A | Mech amb infusion pump <8hrs | | | | | |
| E0781 | A | External ambulatory infus pu | | | | | |
| E0782 | E | Non-programble infusion pump | | | | | |
| E0783 | E | Programmable infusion pump | | | | | |
| E0784 | A | Ext amb infusn pump insulin | | | | | |
| E0785 | E | Replacement impl pump cathet | | | | | |
| E0786 | E | Implantable pump replacement | | | | | |
| E0791 | A | Parenteral infusion pump sta | | | | | |
| E0830 | N | Ambulatory traction device | | | | | |
| E0840 | A | Tract frame attach headboard | | | | | |
| E0850 | A | Traction stand free standing | | | | | |
| E0855 | A | Cervical traction equipment | | | | | |
| E0860 | A | Tract equip cervical tract | | | | | |
| E0870 | A | Tract frame attach footboard | | | | | |
| E0880 | A | Trac stand free stand extrem | | | | | |
| E0890 | A | Traction frame attach pelvic | | | | | |
| E0900 | A | Trac stand free stand pelvic | | | | | |
| E0910 | A | Trapeze bar attached to bed | | | | | |
| E0920 | A | Fracture frame attached to b | | | | | |
| E0930 | A | Fracture frame free standing | | | | | |
| E0935 | A | Exercise device passive moti | | | | | |
| E0940 | A | Trapeze bar free standing | | | | | |
| E0941 | A | Gravity assisted traction de | | | | | |
| E0942 | A | Cervical head harness/halter | | | | | |
| E0943 | A | Cervical pillow | | | | | |
| E0944 | A | Pelvic belt/harness/boot | | | | | |
| E0945 | A | Belt/harness extremity | | | | | |
| E0946 | A | Fracture frame dual w cross | | | | | |
| E0947 | A | Fracture frame attachmnts pe | | | | | |
| E0948 | A | Fracture frame attachmnts ce | | | | | |
| E0950 | E | Tray | | | | | |
| E0951 | E | Loop heel | | | | | |
| E0952 | E | Loop tie | | | | | |
| E0953 | E | Pneumatic tire | | | | | |
| E0954 | E | Wheelchair semi-pneumatic ca | | | | | |
| E0958 | A | Whlchr att- conv 1 arm drive | | | | | |
| E0959 | E | Amputee adapter | | | | | |
| E0961 | E | Wheelchair brake extension | | | | | |
| E0962 | A | Wheelchair 1 inch cushion | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| E0963 | A | Wheelchair 2 inch cushion | | | | | |
| E0964 | A | Wheelchair 3 inch cushion | | | | | |
| E0965 | A | Wheelchair 4 inch cushion | | | | | |
| E0966 | E | Wheelchair head rest extensi | | | | | |
| E0967 | E | Wheelchair hand rims | | | | | |
| E0968 | A | Wheelchair commode seat | | | | | |
| E0969 | E | Wheelchair narrowing device | | | | | |
| E0970 | E | Wheelchair no. 2 footplates | | | | | |
| E0971 | E | Wheelchair anti-tipping devi | | | | | |
| E0972 | A | Transfer board or device | | | | | |
| E0973 | E | Wheelchair adjustabl height | | | | | |
| E0974 | E | Wheelchair grade-aid | | | | | |
| E0975 | E | Wheelchair reinforced seat u | | | | | |
| E0976 | E | Wheelchair reinforced back u | | | | | |
| E0977 | E | Wheelchair wedge cushion | | | | | |
| E0978 | E | Wheelchair belt w/airplane b | | | | | |
| E0979 | E | Wheelchair belt with velcro | | | | | |
| E0980 | E | Wheelchair safety vest | | | | | |
| E0990 | E | Whellchair elevating leg res | | | | | |
| E0991 | E | Wheelchair upholstry seat | | | | | |
| E0992 | E | Wheelchair solid seat insert | | | | | |
| E0993 | E | Wheelchair back upholstery | | | | | |
| E0994 | E | Wheelchair arm rest | | | | | |
| E0995 | E | Wheelchair calf rest | | | | | |
| E0996 | E | Wheelchair tire solid | | | | | |
| E0997 | E | Wheelchair caster w/ a fork | | | | | |
| E0998 | E | Wheelchair caster w/o a fork | | | | | |
| E0999 | E | Wheelchr pneumatic tire w/wh | | | | | |
| E1000 | E | Wheelchair tire pneumatic ca | | | | | |
| E1001 | E | Wheelchair wheel | | | | | |
| E1031 | A | Rollabout chair with casters | | | | | |
| E1035 | E | Patient transfer system | | | | | |
| E1050 | A | Whelchr fxd full length arms | | | | | |
| E1060 | A | Wheelchair detachable arms | | | | | |
| E1065 | E | Wheelchair power attachment | | | | | |
| E1066 | E | Wheelchair battery charger | | | | | |
| E1069 | E | Wheelchair deep cycle batter | | | | | |
| E1070 | A | Wheelchair detachable foot r | | | | | |
| E1083 | A | Hemi-wheelchair fixed arms | | | | | |
| E1084 | A | Hemi-wheelchair detachable a | | | | | |
| E1085 | A | Hemi-wheelchair fixed arms | | | | | |
| E1086 | A | Hemi-wheelchair detachable a | | | | | |
| E1087 | A | Wheelchair lightwt fixed arm | | | | | |
| E1088 | A | Wheelchair lightweight det a | | | | | |
| E1089 | A | Wheelchair lightwt fixed arm | | | | | |
| E1090 | A | Wheelchair lightweight det a | | | | | |
| E1091 | A | Wheelchair youth | | | | | |
| E1092 | A | Wheelchair wide w/ leg rests | | | | | |
| E1093 | A | Wheelchair wide w/ foot rest | | | | | |
| E1100 | A | Whchr s-recl fxd arm leg res | | | | | |
| E1110 | A | Wheelchair semi-recl detach | | | | | |
| E1130 | A | Whlchr stand fxd arm ft rest | | | | | |
| E1140 | A | Wheelchair standard detach a | | | | | |
| E1150 | A | Wheelchair standard w/ leg r | | | | | |
| E1160 | A | Wheelchair fixed arms | | | | | |
| E1170 | A | Whlchr ampu fxd arm leg rest | | | | | |
| E1171 | A | Wheelchair amputee w/o leg r | | | | | |
| E1172 | A | Wheelchair amputee detach ar | | | | | |
| E1180 | A | Wheelchair amputee w/ foot r | | | | | |
| E1190 | A | Wheelchair amputee w/ leg re | | | | | |
| E1195 | A | Wheelchair amputee heavy dut | | | | | |
| E1200 | A | Wheelchair amputee fixed arm | | | | | |
| E1210 | A | Whlchr moto ful arm leg rest | | | | | |
| E1211 | A | Wheelchair motorized w/ det | | | | | |
| E1212 | A | Wheelchair motorized w full | | | | | |
| E1213 | A | Wheelchair motorized w/ det | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| E1220 | A | Whlchr special size/constrc | | | | | |
| E1221 | A | Wheelchair spec size w foot | | | | | |
| E1222 | A | Wheelchair spec size w/ leg | | | | | |
| E1223 | A | Wheelchair spec size w foot | | | | | |
| E1224 | A | Wheelchair spec size w/ leg | | | | | |
| E1225 | A | Wheelchair spec sz semi-recl | | | | | |
| E1226 | E | Wheelchair spec sz full-recl | | | | | |
| E1227 | E | Wheelchair spec sz spec ht a | | | | | |
| E1228 | A | Wheelchair spec sz spec ht b | | | | | |
| E1230 | A | Power operated vehicle | | | | | |
| E1240 | A | Whchr litwt det arm leg rest | | | | | |
| E1250 | A | Wheelchair lightwt fixed arm | | | | | |
| E1260 | A | Wheelchair lightwt foot rest | | | | | |
| E1270 | A | Wheelchair lightweight leg r | | | | | |
| E1280 | A | Whchr h-duty det arm leg res | | | | | |
| E1285 | A | Wheelchair heavy duty fixed | | | | | |
| E1290 | A | Wheelchair hvy duty detach a | | | | | |
| E1295 | A | Wheelchair heavy duty fixed | | | | | |
| E1296 | A | Wheelchair special seat heig | | | | | |
| E1297 | A | Wheelchair special seat dept | | | | | |
| E1298 | A | Wheelchair spec seat depth/w | | | | | |
| E1300 | E | Whirlpool portable | | | | | |
| E1310 | A | Whirlpool non-portable | | | | | |
| E1340 | A | Repair for DME, per 15 min | | | | | |
| E1353 | A | Oxygen supplies regulator | | | | | |
| E1355 | A | Oxygen supplies stand/rack | | | | | |
| E1372 | A | Oxy suppl heater for nebuliz | | | | | |
| E1390 | A | Oxygen concentrator | | | | | |
| E1399 | A | Durable medical equipment mi | | | | | |
| E1405 | A | O2/water vapor enrich w/heat | | | | | |
| E1406 | A | O2/water vapor enrich w/o he | | | | | |
| E1500 | A | Centrifuge | | | | | |
| E1510 | A | Kidney dialysate delivry sys | | | | | |
| E1520 | A | Heparin infusion pump | | | | | |
| E1530 | A | Replacement air bubble detec | | | | | |
| E1540 | A | Replacement pressure alarm | | | | | |
| E1550 | A | Bath conductivity meter | | | | | |
| E1560 | A | Replace blood leak detector | | | | | |
| E1570 | A | Adjustable chair for esrd pt | | | | | |
| E1575 | A | Transducer protect/fld bar | | | | | |
| E1580 | A | Unipuncture control system | | | | | |
| E1590 | A | Hemodialysis machine | | | | | |
| E1592 | A | Auto interm peritoneal dialy | | | | | |
| E1594 | A | Cycler dialysis machine | | | | | |
| E1600 | A | Deli/install chrg hemo equip | | | | | |
| E1610 | A | Reverse osmosis h2o puri sys | | | | | |
| E1615 | A | Deionizer H2O puri system | | | | | |
| E1620 | A | Replacement blood pump | | | | | |
| E1625 | A | Water softening system | | | | | |
| E1630 | A | Reciprocating peritoneal dia | | | | | |
| E1632 | A | Wearable artificial kidney | | | | | |
| E1635 | A | Compact travel hemodialyzer | | | | | |
| E1636 | A | Sorbent cartridges per 10 | | | | | |
| E1637 | A | Hemostats for dialysis, each | | | | | |
| E1638 | A | Peri dialysis heating pad | | | | | |
| E1639 | A | Dialysis scale | | | | | |
| E1699 | A | Dialysis equipment noc | | | | | |
| E1700 | A | Jaw motion rehab system | | | | | |
| E1701 | A | Repl cushions for jaw motion | | | | | |
| E1702 | A | Repl measr scales jaw motion | | | | | |
| E1800 | A | Adjust elbow ext/flex device | | | | | |
| E1801 | A | SPS elbow device | | | | | |
| E1805 | A | Adjust wrist ext/flex device | | | | | |
| E1806 | A | SPS wrist device | | | | | |
| E1810 | A | Adjust knee ext/flex device | | | | | |
| E1811 | A | SPS knee device | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| E1815 | A | Adjust ankle ext/flex device | | | | | |
| E1816 | A | SPS ankle device | | | | | |
| E1818 | A | SPS forearm device | | | | | |
| E1820 | A | Soft interface material | | | | | |
| E1821 | A | Replacement interface SPSD | | | | | |
| E1825 | A | Adjust finger ext/flex devc | | | | | |
| E1830 | A | Adjust toe ext/flex device | | | | | |
| E1840 | A | Adj shoulder ext/flex device | | | | | |
| E1902 | A | AAC non-electronic board | | | | | |
| E2000 | A | Gastric suction pump hme mdl | | | | | |
| E2100 | A | Bld glucose monitor w voice | | | | | |
| E2101 | A | Bld glucose monitor w lance | | | | | |
| G0001 | A | Drawing blood for specimen | | | | | |
| G0002 | X | Temporary urinary catheter | 0340 | 0.66 | $34.33 | | $6.87 |
| G0004 | E | ECG transm phys review & int | | | | | |
| G0005 | X | ECG 24 hour recording | 0097 | 0.84 | $43.69 | $23.80 | $8.74 |
| G0006 | X | ECG transmission & analysis | 0097 | 0.84 | $43.69 | $23.80 | $8.74 |
| G0007 | N | ECG phy review & interpret | | | | | |
| G0008 | K | Admin influenza virus vac | 0354 | 0.09 | $4.68 | | |
| G0009 | K | Admin pneumococcal vaccine | 0354 | 0.09 | $4.68 | | |
| G0010 | K | Admin hepatitis b vaccine | 0355 | 0.24 | $12.48 | | $2.50 |
| G0015 | X | Post symptom ECG tracing | 0097 | 0.84 | $43.69 | $23.80 | $8.74 |
| G0025 | N | Collagen skin test kit | | | | | |
| G0026 | A | Fecal leukocyte examination | | | | | |
| G0027 | A | Semen analysis | | | | | |
| G0030 | S | PET imaging prev PET single | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0031 | S | PET imaging prev PET multple | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0032 | S | PET follow SPECT 78464 singl | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0033 | S | PET follow SPECT 78464 mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0034 | S | PET follow SPECT 76865 singl | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0035 | S | PET follow SPECT 78465 mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0036 | S | PET follow cornry angio sing | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0037 | S | PET follow cornry angio mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0038 | S | PET follow myocard perf sing | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0039 | S | PET follow myocard perf mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0040 | S | PET follow stress echo singl | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0041 | S | PET follow stress echo mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0042 | S | PET follow ventriculogm sing | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0043 | S | PET follow ventriculogm mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0044 | S | PET following rest ECG singl | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0045 | S | PET following rest ECG mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0046 | S | PET follow stress ECG singl | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0047 | S | PET follow stress ECG mult | 0285 | 16.73 | $870.11 | $374.15 | $174.02 |
| G0050 | S | Residual urine by ultrasound | 0265 | 1.04 | $54.09 | $29.75 | $10.82 |
| G0101 | V | CA screen;pelvic/breast exam | 0600 | 0.91 | $47.33 | | $9.47 |
| G0102 | N | Prostate ca screening; dre | | | | | |
| G0103 | A | Psa, total screening | | | | | |
| G0104 | S | CA screen;flexi sigmoidscope | 0159 | 2.48 | $128.98 | | $32.25 |
| G0105 | T | Colorectal scrn; hi risk ind | 0158 | 7.56 | $393.19 | | $98.30 |
| G0106 | S | Colon CA screen;barium enema | 0157 | 2.73 | $141.98 | $22.19 | $28.40 |
| G0107 | A | CA screen; fecal blood test | | | | | |
| G0108 | A | Diab manage trn per indiv | | | | | |
| G0109 | A | Diab manage trn ind/group | | | | | |
| G0110 | A | Nett pulm-rehab educ; ind | | | | | |
| G0111 | A | Nett pulm-rehab educ; group | | | | | |
| G0112 | A | Nett;nutrition guid, initial | | | | | |
| G0113 | A | Nett;nutrition guid,subseqnt | | | | | |
| G0114 | A | Nett; psychosocial consult | | | | | |
| G0115 | A | Nett; psychological testing | | | | | |
| G0116 | A | Nett; psychosocial counsel | | | | | |
| G0117 | S | Glaucoma scrn hgh risk direc | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| G0118 | S | Glaucoma scrn hgh risk direc | 0230 | 0.78 | $40.57 | $15.82 | $8.11 |
| G0120 | S | Colon ca scrn; barium enema | 0157 | 2.73 | $141.98 | $22.19 | $28.40 |
| G0121 | T | Colon ca scrn not hi rsk ind | 0158 | 7.56 | $393.19 | | $98.30 |
| G0122 | E | Colon ca scrn; barium enema | | | | | |
| G0123 | A | Screen cerv/vag thin layer | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| G0124 | A | Screen c/v thin layer by MD | | | | | |
| G0125 | S | PET img WhBD sgl pulm ring | 0667 | 18.68 | $971.53 | | $194.31 |
| G0127 | T | Trim nail(s) | 0009 | 0.68 | $35.37 | $8.34 | $7.07 |
| G0128 | E | CORF skilled nursing service | | | | | |
| G0129 | P | Partial hosp prog service | 0033 | 4.96 | $257.96 | | $51.59 |
| G0130 | X | Single energy x-ray study | 0260 | 0.81 | $42.13 | $23.17 | $8.43 |
| G0131 | S | CT scan, bone density study | 0288 | 1.38 | $71.77 | | $14.35 |
| G0132 | S | CT scan, bone density study | 0665 | 0.73 | $37.97 | | $7.59 |
| G0141 | E | Scr c/v cyto,autosys and md | | | | | |
| G0143 | A | Scr c/v cyto,thinlayer,rescr | | | | | |
| G0144 | A | Scr c/v cyto,thinlayer,rescr | | | | | |
| G0145 | A | Scr c/v cyto,thinlayer,rescr | | | | | |
| G0147 | A | Scr c/v cyto, automated sys | | | | | |
| G0148 | A | Scr c/v cyto, autosys, rescr | | | | | |
| G0151 | E | HHCP-serv of pt,ea 15 min | | | | | |
| G0152 | E | HHCP-serv of ot,ea 15 min | | | | | |
| G0153 | E | HHCP-svs of s/l path,ea 15mn | | | | | |
| G0154 | E | HHCP-svs of rn,ea 15 min | | | | | |
| G0155 | E | HHCP-svs of csw,ea 15 min | | | | | |
| G0156 | E | HHCP-svs of aide,ea 15 min | | | | | |
| G0166 | T | Extrnl counterpulse, per tx | 0678 | 2.55 | $132.62 | | $26.52 |
| G0167 | E | Hyperbaric oz tx;no md reqrd | | | | | |
| G0168 | X | Wound closure by adhesive | 0340 | 0.66 | $34.33 | | $6.87 |
| G0173 | S | Stereo radoisurgery,complete | 0663 | 63.69 | $3,312.45 | | $662.49 |
| G0175 | V | OPPS Service,sched team conf | 0602 | 1.57 | $81.65 | | $16.33 |
| G0176 | P | OPPS/PHP;activity therapy | 0033 | 4.96 | $257.96 | | $51.59 |
| G0177 | P | OPPS/PHP; train & educ serv | 0033 | 4.96 | $257.96 | | $51.59 |
| G0179 | E | MD recertification HHA PT | | | | | |
| G0180 | E | MD certification HHA patient | | | | | |
| G0181 | E | Home health care supervision | | | | | |
| G0182 | E | Hospice care supervision | | | | | |
| G0185 | T | Transpuppillary thermotx | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| G0186 | T | Dstry eye lesn,fdr vssl tech | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| G0187 | T | Dstry mclr drusen,photocoag | 0235 | 5.62 | $292.29 | $81.84 | $58.46 |
| G0192 | N | Immunization oral/intranasal | | | | | |
| G0193 | A | Endoscopicstudyswallowfunctn | | | | | |
| G0194 | A | Sensorytestingendoscopicstud | | | | | |
| G0195 | A | Clinicalevalswallowingfunct | | | | | |
| G0196 | A | Evalofswallowingwithradioopa | | | | | |
| G0197 | A | Evalofptforprescipspeechdevi | | | | | |
| G0198 | A | Patientadapation&trainforspe | | | | | |
| G0199 | A | Reevaluationofpatientusespec | | | | | |
| G0200 | A | Evalofpatientprescipofvoicep | | | | | |
| G0201 | A | Modifortraininginusevoicepro | | | | | |
| G0202 | A | Screeningmammographydigital | | | | | |
| G0204 | S | Diagnosticmammographydigital | 0669 | 0.95 | $49.41 | | $9.88 |
| G0206 | S | Diagnosticmammographydigital | 0669 | 0.95 | $49.41 | | $9.88 |
| G0210 | S | PET img whbd ring dxlung ca | 0667 | 18.68 | $971.53 | | $194.31 |
| G0211 | S | PET img whbd ring init lung | 0667 | 18.68 | $971.53 | | $194.31 |
| G0212 | S | PET img whbd ring restag lun | 0667 | 18.68 | $971.53 | | $194.31 |
| G0213 | S | PET img whbd ring dx colorec | 0667 | 18.68 | $971.53 | | $194.31 |
| G0214 | S | PET img whbd ring init colre | 0667 | 18.68 | $971.53 | | $194.31 |
| G0215 | S | PET img whbd restag col | 0667 | 18.68 | $971.53 | | $194.31 |
| G0216 | S | PET img whbd ring dx melanom | 0667 | 18.68 | $971.53 | | $194.31 |
| G0217 | S | PET img whbd ring init melan | 0667 | 18.68 | $971.53 | | $194.31 |
| G0218 | S | PET img whbd ring restag mel | 0667 | 18.68 | $971.53 | | $194.31 |
| G0219 | E | PET img whbd ring noncov ind | | | | | |
| G0220 | S | PET img whbd ring dx lymphom | 0667 | 18.68 | $971.53 | | $194.31 |
| G0221 | S | PET img whbd ring init lymph | 0667 | 18.68 | $971.53 | | $194.31 |
| G0222 | S | PET img whbd ring resta lymp | 0667 | 18.68 | $971.53 | | $194.31 |
| G0223 | S | PET img whbd reg ring dx hea | 0667 | 18.68 | $971.53 | | $194.31 |
| G0224 | S | PETimg whbd reg ring ini hea | 0667 | 18.68 | $971.53 | | $194.31 |
| G0225 | S | PET img whbd ring restag hea | 0667 | 18.68 | $971.53 | | $194.31 |
| G0226 | S | PET img whbd dx esophag | 0667 | 18.68 | $971.53 | | $194.31 |
| G0227 | S | PET img whbd ring ini esopha | 0667 | 18.68 | $971.53 | | $194.31 |
| G0228 | S | PET img whbd ring restg esop | 0667 | 18.68 | $971.53 | | $194.31 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| G0229 | S | PET img metabolic brain ring | 0667 | 18.68 | $971.53 | | $194.31 |
| G0230 | S | PET myocard viability ring | 0667 | 18.68 | $971.53 | | $194.31 |
| G0231 | S | PET WhBD colorec; gamma cam | 0667 | 18.68 | $971.53 | | $194.31 |
| G0232 | S | PET whbd lymphoma; gamma cam | 0667 | 18.68 | $971.53 | | $194.31 |
| G0233 | S | PET whbd melanoma; gamma cam | 0667 | 18.68 | $971.53 | | $194.31 |
| G0234 | S | PET WhBD pulm nod; gamma cam | 0667 | 18.68 | $971.53 | | $194.31 |
| G0236 | S | Digital film convert diag ma | 0706 | | $25.00 | | $5.00 |
| G0237 | T | Therapeutic procd strg endur | 0970 | | $25.00 | | $5.00 |
| G0238 | T | Oth resp proc, indiv | 0970 | | $25.00 | | $5.00 |
| G0239 | T | Oth resp proc, group | 0970 | | $25.00 | | $5.00 |
| G0240 | A | Critic care by MD transport | | | | | |
| G0241 | A | Each additional 30 minutes | | | | | |
| G0242 | S | Multisource photon ster plan | 0714 | | $1,375.00 | | $275.00 |
| G0243 | S | Multisour photon stero treat | 0721 | | $5,500.00 | | $1,100.00 |
| G0244 | S | Observ care by facility topt | 0339 | 7.60 | $395.27 | | $79.05 |
| G0245 | V | Initial Foot Exam PTLOPS | 0600 | 0.91 | $47.33 | | $9.47 |
| G0246 | V | Follow-up Eval of Foot PTLOPS | 0600 | 0.91 | $47.33 | | $9.47 |
| G0247 | T | Routine footcare w LOPS | 0009 | 0.68 | $35.37 | $8.34 | $7.07 |
| G0248 | S | Demonstrate use home INR mon | 0708 | | $150.00 | | $30.00 |
| G0249 | S | Provide test material,equipm | 0708 | | $150.00 | | $30.00 |
| G0250 | E | MD review interpret of test | | | | | |
| G9001 | E | MCCD, initial rate | | | | | |
| G9002 | E | MCCD,maintenance rate | | | | | |
| G9003 | E | MCCD, risk adj hi, initial | | | | | |
| G9004 | E | MCCD, risk adj lo, initial | | | | | |
| G9005 | E | MCCD, risk adj, maintenance | | | | | |
| G9006 | E | MCCD, Home monitoring | | | | | |
| G9007 | E | MCCD, sch team conf | | | | | |
| G9008 | E | Mccd,phys coor-care ovrsght | | | | | |
| G9009 | E | MCCD, risk adj, level 3 | | | | | |
| G9010 | E | MCCD, risk adj, level 4 | | | | | |
| G9011 | E | MCCD, risk adj, level 5 | | | | | |
| G9012 | E | Other Specified Case Mgmt | | | | | |
| G9016 | A | Demo-smoking cessation coun | | | | | |
| H0001 | E | Alcohol and/or drug assess | | | | | |
| H0002 | E | Alcohol and/or drug screenin | | | | | |
| H0003 | E | Alcohol and/or drug screenin | | | | | |
| H0004 | E | Alcohol and/or drug services | | | | | |
| H0005 | E | Alcohol and/or drug services | | | | | |
| H0006 | E | Alcohol and/or drug services | | | | | |
| H0007 | E | Alcohol and/or drug services | | | | | |
| H0008 | E | Alcohol and/or drug services | | | | | |
| H0009 | E | Alcohol and/or drug services | | | | | |
| H0010 | E | Alcohol and/or drug services | | | | | |
| H0011 | E | Alcohol and/or drug services | | | | | |
| H0012 | E | Alcohol and/or drug services | | | | | |
| H0013 | E | Alcohol and/or drug services | | | | | |
| H0014 | E | Alcohol and/or drug services | | | | | |
| H0015 | E | Alcohol and/or drug services | | | | | |
| H0016 | E | Alcohol and/or drug services | | | | | |
| H0017 | E | Alcohol and/or drug services | | | | | |
| H0018 | E | Alcohol and/or drug services | | | | | |
| H0019 | E | Alcohol and/or drug services | | | | | |
| H0020 | E | Alcohol and/or drug services | | | | | |
| H0021 | E | Alcohol and/or drug training | | | | | |
| H0022 | E | Alcohol and/or drug interven | | | | | |
| H0023 | E | Alcohol and/or drug outreach | | | | | |
| H0024 | E | Alcohol and/or drug preventi | | | | | |
| H0025 | E | Alcohol and/or drug preventi | | | | | |
| H0026 | E | Alcohol and/or drug preventi | | | | | |
| H0027 | E | Alcohol and/or drug preventi | | | | | |
| H0028 | E | Alcohol and/or drug preventi | | | | | |
| H0029 | E | Alcohol and/or drug preventi | | | | | |
| H0030 | E | Alcohol and/or drug hotline | | | | | |
| H1000 | A | Prenatal care atrisk assessm | | | | | |
| H1001 | A | Antepartum management | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| H1002 | A | Carecoordination prenatal | | | | | |
| H1003 | A | Prenatal at risk education | | | | | |
| H1004 | A | Follow up home visit/prental | | | | | |
| H1005 | A | Prenatalcare enhanced srv pk | | | | | |
| J0120 | N | Tetracyclin injection | | | | | |
| J0130 | K | Abciximab injection | 1605 | 5.82 | $302.69 | | $60.54 |
| J0150 | N | Injection adenosine 6 MG | | | | | |
| J0151 | E | Adenosine injection | | | | | |
| J0170 | N | Adrenalin epinephrin inject | | | | | |
| J0190 | N | Inj biperiden lactate/5 mg | | | | | |
| J0200 | N | Alatrofloxacin mesylate | | | | | |
| J0205 | K | Alglucerase injection | 0900 | 0.53 | $27.56 | | $5.51 |
| J0207 | K | Amifostine | 7000 | 4.46 | $231.96 | | $46.39 |
| J0210 | N | Methyldopate hcl injection | | | | | |
| J0256 | K | Alpha 1 proteinase inhibitor | 0901 | 0.02 | $1.04 | | $.21 |
| J0270 | E | Alprostadil for injection | | | | | |
| J0275 | E | Alprostadil urethral suppos | | | | | |
| J0280 | N | Aminophyllin 250 MG inj | | | | | |
| J0282 | N | Amiodarone HCl | | | | | |
| J0285 | N | Amphotericin B | | | | | |
| J0286 | K | Amphotericin B lipid complex | 7001 | 2.05 | $106.62 | | $21.32 |
| J0290 | N | Ampicillin 500 MG inj | | | | | |
| J0295 | N | Ampicillin sodium per 1.5 gm | | | | | |
| J0300 | N | Amobarbital 125 MG inj | | | | | |
| J0330 | N | Succinycholine chloride inj | | | | | |
| J0350 | N | Injection anistreplase 30 u | | | | | |
| J0360 | N | Hydralazine hcl injection | | | | | |
| J0380 | N | Inj metaraminol bitartrate | | | | | |
| J0390 | N | Chloroquine injection | | | | | |
| J0395 | N | Arbutamine HCl injection | | | | | |
| J0456 | N | Azithromycin | | | | | |
| J0460 | N | Atropine sulfate injection | | | | | |
| J0470 | N | Dimecaprol injection | | | | | |
| J0475 | N | Baclofen 10 MG injection | | | | | |
| J0476 | E | Baclofen intrathecal trial | | | | | |
| J0500 | N | Dicyclomine injection | | | | | |
| J0515 | N | Inj benztropine mesylate | | | | | |
| J0520 | N | Bethanechol chloride inject | | | | | |
| J0530 | N | Penicillin g benzathine inj | | | | | |
| J0540 | N | Penicillin g benzathine inj | | | | | |
| J0550 | N | Penicillin g benzathine inj | | | | | |
| J0560 | N | Penicillin g benzathine inj | | | | | |
| J0570 | N | Penicillin g benzathine inj | | | | | |
| J0580 | N | Penicillin g benzathine inj | | | | | |
| J0585 | K | Botulinum toxin a per unit | 0902 | 0.05 | $2.60 | | $.52 |
| J0587 | G | Botulinum toxin type B | 9018 | | $8.79 | | $1.26 |
| J0600 | N | Edetate calcium disodium inj | | | | | |
| J0610 | N | Calcium gluconate injection | | | | | |
| J0620 | N | Calcium glycer & lact/10 ML | | | | | |
| J0630 | N | Calcitonin salmon injection | | | | | |
| J0635 | N | Calcitriol injection | | | | | |
| J0640 | N | Leucovorin calcium injection | | | | | |
| J0670 | N | Inj mepivacaine HCL/10 ml | | | | | |
| J0690 | N | Cefazolin sodium injection | | | | | |
| J0692 | N | Cefepime HCl for injection | | | | | |
| J0694 | N | Cefoxitin sodium injection | | | | | |
| J0696 | N | Ceftriaxone sodium injection | | | | | |
| J0697 | N | Sterile cefuroxime injection | | | | | |
| J0698 | N | Cefotaxime sodium injection | | | | | |
| J0702 | N | Betamethasone acet&sod phosp | | | | | |
| J0704 | N | Betamethasone sod phosp/4 MG | | | | | |
| J0706 | N | Caffeine citrate injection | | | | | |
| J0710 | N | Cephapirin sodium injection | | | | | |
| J0713 | N | Inj ceftazidime per 500 mg | | | | | |
| J0715 | N | Ceftizoxime sodium / 500 MG | | | | | |
| J0720 | N | Chloramphenicol sodium injec | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| J0725 | N | Chorionic gonadotropin/1000u | | | | | |
| J0735 | N | Clonidine hydrochloride | | | | | |
| J0740 | N | Cidofovir injection | | | | | |
| J0743 | N | Cilastatin sodium injection | | | | | |
| J0744 | N | Ciprofloxacin iv | | | | | |
| J0745 | N | Inj codeine phosphate /30 MG | | | | | |
| J0760 | N | Colchicine injection | | | | | |
| J0770 | N | Colistimethate sodium inj | | | | | |
| J0780 | N | Prochlorperazine injection | | | | | |
| J0800 | N | Corticotropin injection | | | | | |
| J0835 | N | Inj cosyntropin per 0.25 MG | | | | | |
| J0850 | K | Cytomegalovirus imm IV /vial | 0903 | 0.34 | $17.68 | | $3.54 |
| J0895 | N | Deferoxamine mesylate inj | | | | | |
| J0900 | N | Testosterone enanthate inj | | | | | |
| J0945 | N | Brompheniramine maleate inj | | | | | |
| J0970 | N | Estradiol valerate injection | | | | | |
| J1000 | N | Depo-estradiol cypionate inj | | | | | |
| J1020 | N | Methylprednisolone 20 MG inj | | | | | |
| J1030 | N | Methylprednisolone 40 MG inj | | | | | |
| J1040 | N | Methylprednisolone 80 MG inj | | | | | |
| J1050 | N | Medroxyprogesterone inj | | | | | |
| J1055 | E | Medrxyprogester acetate inj | | | | | |
| J1056 | E | MA/EC contraceptiveinjection | | | | | |
| J1060 | N | Testosterone cypionate 1 ML | | | | | |
| J1070 | N | Testosterone cypionat 100 MG | | | | | |
| J1080 | N | Testosterone cypionat 200 MG | | | | | |
| J1095 | N | Inj dexamethasone acetate | | | | | |
| J1100 | N | Dexamethasone sodium phos | | | | | |
| J1110 | N | Inj dihydroergotamine mesylt | | | | | |
| J1120 | N | Acetazolamid sodium injectio | | | | | |
| J1160 | N | Digoxin injection | | | | | |
| J1165 | N | Phenytoin sodium injection | | | | | |
| J1170 | N | Hydromorphone injection | | | | | |
| J1180 | N | Dyphylline injection | | | | | |
| J1190 | K | Dexrazoxane HCl injection | 0726 | 2.40 | $124.82 | | $24.96 |
| J1200 | N | Diphenhydramine hcl injectio | | | | | |
| J1205 | N | Chlorothiazide sodium inj | | | | | |
| J1212 | N | Dimethyl sulfoxide 50% 50 ML | | | | | |
| J1230 | N | Methadone injection | | | | | |
| J1240 | N | Dimenhydrinate injection | | | | | |
| J1245 | N | Dipyridamole injection | | | | | |
| J1250 | N | Inj dobutamine HCL/250 mg | | | | | |
| J1260 | N | Dolasetron mesylate | | | | | |
| J1270 | N | Injection, doxercalciferol | | | | | |
| J1320 | N | Amitriptyline injection | | | | | |
| J1325 | N | Epoprostenol injection | | | | | |
| J1327 | N | Eptifibatide injection | | | | | |
| J1330 | N | Ergonovine maleate injection | | | | | |
| J1364 | N | Erythro lactobionate /500 MG | | | | | |
| J1380 | N | Estradiol valerate 10 MG inj | | | | | |
| J1390 | N | Estradiol valerate 20 MG inj | | | | | |
| J1410 | N | Inj estrogen conjugate 25 MG | | | | | |
| J1435 | N | Injection estrone per 1 MG | | | | | |
| J1436 | N | Etidronate disodium inj | | | | | |
| J1438 | N | Etanercept injection | | | | | |
| J1440 | K | Filgrastim 300 mcg injection | 0728 | 2.24 | $116.50 | | $23.30 |
| J1441 | K | Filgrastim 480 mcg injection | 7049 | 3.37 | $175.27 | | $35.05 |
| J1450 | N | Fluconazole | | | | | |
| J1452 | N | Intraocular Fomivirsen na | | | | | |
| J1455 | N | Foscarnet sodium injection | | | | | |
| J1460 | N | Gamma globulin 1 CC inj | | | | | |
| J1470 | E | Gamma globulin 2 CC inj | | | | | |
| J1480 | E | Gamma globulin 3 CC inj | | | | | |
| J1490 | E | Gamma globulin 4 CC inj | | | | | |
| J1500 | E | Gamma globulin 5 CC inj | | | | | |
| J1510 | E | Gamma globulin 6 CC inj | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| J1520 | E | Gamma globulin 7 CC inj | | | | | |
| J1530 | E | Gamma globulin 8 CC inj | | | | | |
| J1540 | E | Gamma globulin 9 CC inj | | | | | |
| J1550 | E | Gamma globulin 10 CC inj | | | | | |
| J1560 | E | Gamma globulin > 10 CC inj | | | | | |
| J1561 | K | Immune globulin 500 mg | 0905 | 0.45 | $23.40 | | $4.68 |
| J1563 | E | IV immune globulin | | | | | |
| J1565 | N | RSV-ivig | | | | | |
| J1570 | N | Ganciclovir sodium injection | | | | | |
| J1580 | N | Garamycin gentamicin inj | | | | | |
| J1590 | N | Gatifloxacin injection | | | | | |
| J1600 | N | Gold sodium thiomaleate inj | | | | | |
| J1610 | N | Glucagon hydrochloride/1 MG | | | | | |
| J1620 | N | Gonadorelin hydroch/ 100 mcg | | | | | |
| J1626 | N | Granisetron HCl injection | | | | | |
| J1630 | N | Haloperidol injection | | | | | |
| J1631 | N | Haloperidol decanoate inj | | | | | |
| J1642 | N | Inj heparin sodium per 10 u | | | | | |
| J1644 | N | Inj heparin sodium per 1000u | | | | | |
| J1645 | N | Dalteparin sodium | | | | | |
| J1650 | E | Inj enoxaparin sodium | | | | | |
| J1655 | N | Tinzaparin sodium injection | | | | | |
| J1670 | N | Tetanus immune globulin inj | | | | | |
| J1700 | N | Hydrocortisone acetate inj | | | | | |
| J1710 | N | Hydrocortisone sodium ph inj | | | | | |
| J1720 | N | Hydrocortisone sodium succ i | | | | | |
| J1730 | N | Diazoxide injection | | | | | |
| J1742 | N | Ibutilide fumarate injection | | | | | |
| J1745 | K | Infliximab injection | 7043 | 0.74 | $38.49 | | $7.70 |
| J1750 | N | Iron dextran | | | | | |
| J1755 | N | Iron sucrose injection | | | | | |
| J1785 | K | Injection imiglucerase /unit | 0916 | 0.05 | $2.60 | | $.52 |
| J1790 | N | Droperidol injection | | | | | |
| J1800 | N | Propranolol injection | | | | | |
| J1810 | E | Droperidol/fentanyl inj | | | | | |
| J1820 | N | Insulin injection | | | | | |
| J1825 | K | Interferon beta-1a | 0909 | 2.77 | $144.06 | | $28.81 |
| J1830 | N | Interferon beta-1b / .25 MG | | | | | |
| J1835 | N | Itraconazole injection | | | | | |
| J1840 | N | Kanamycin sulfate 500 MG inj | | | | | |
| J1850 | N | Kanamycin sulfate 75 MG inj | | | | | |
| J1885 | N | Ketorolac tromethamine inj | | | | | |
| J1890 | N | Cephalothin sodium injection | | | | | |
| J1910 | N | Kutapressin injection | | | | | |
| J1940 | N | Furosemide injection | | | | | |
| J1950 | K | Leuprolide acetate /3.75 MG | 0800 | 4.15 | $215.84 | | $43.17 |
| J1955 | E | Inj levocarnitine per 1 gm | | | | | |
| J1956 | N | Levofloxacin injection | | | | | |
| J1960 | N | Levorphanol tartrate inj | | | | | |
| J1980 | N | Hyoscyamine sulfate inj | | | | | |
| J1990 | N | Chlordiazepoxide injection | | | | | |
| J2000 | N | Lidocaine injection | | | | | |
| J2010 | N | Lincomycin injection | | | | | |
| J2020 | N | Linezolid injection | | | | | |
| J2060 | N | Lorazepam injection | | | | | |
| J2150 | N | Mannitol injection | | | | | |
| J2175 | N | Meperidine hydrochl /100 MG | | | | | |
| J2180 | N | Meperidine/promethazine inj | | | | | |
| J2210 | N | Methylergonovin maleate inj | | | | | |
| J2250 | N | Inj midazolam hydrochloride | | | | | |
| J2260 | N | Inj milrinone lactate / 5 ML | | | | | |
| J2270 | N | Morphine sulfate injection | | | | | |
| J2271 | N | Morphine so4 injection 100mg | | | | | |
| J2275 | N | Morphine sulfate injection | | | | | |
| J2300 | N | Inj nalbuphine hydrochloride | | | | | |
| J2310 | N | Inj naloxone hydrochloride | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| J2320 | N | Nandrolone decanoate 50 MG | | | | | |
| J2321 | N | Nandrolone decanoate 100 MG | | | | | |
| J2322 | N | Nandrolone decanoate 200 MG | | | | | |
| J2352 | K | Octreotide acetate injection | 7031 | 0.90 | $46.81 | | $9.36 |
| J2355 | K | Oprelvekin injection | 7011 | 2.52 | $131.06 | | $26.21 |
| J2360 | N | Orphenadrine injection | | | | | |
| J2370 | N | Phenylephrine hcl injection | | | | | |
| J2400 | N | Chloroprocaine hcl injection | | | | | |
| J2405 | N | Ondansetron hcl injection | | | | | |
| J2410 | N | Oxymorphone hcl injection | | | | | |
| J2430 | K | Pamidronate disodium /30 MG | 0730 | 3.46 | $179.95 | | $35.99 |
| J2440 | N | Papaverin hcl injection | | | | | |
| J2460 | N | Oxytetracycline injection | | | | | |
| J2500 | N | Paricalcitol | | | | | |
| J2510 | N | Penicillin g procaine inj | | | | | |
| J2515 | N | Pentobarbital sodium inj | | | | | |
| J2540 | N | Penicillin g potassium inj | | | | | |
| J2543 | N | Piperacillin/tazobactam | | | | | |
| J2545 | A | Pentamidine isethionte/300mg | | | | | |
| J2550 | N | Promethazine hcl injection | | | | | |
| J2560 | N | Phenobarbital sodium inj | | | | | |
| J2590 | N | Oxytocin injection | | | | | |
| J2597 | N | Inj desmopressin acetate | | | | | |
| J2650 | N | Prednisolone acetate inj | | | | | |
| J2670 | N | Totazoline hcl injection | | | | | |
| J2680 | N | Fluphenazine decanoate 25 MG | | | | | |
| J2690 | N | Procainamide hcl injection | | | | | |
| J2700 | N | Oxacillin sodium injeciton | | | | | |
| J2710 | N | Neostigmine methylslfte inj | | | | | |
| J2720 | N | Inj protamine sulfate/10 MG | | | | | |
| J2725 | N | Inj protirelin per 250 mcg | | | | | |
| J2730 | N | Pralidoxime chloride inj | | | | | |
| J2760 | N | Phentolaine mesylate inj | | | | | |
| J2765 | N | Metoclopramide hcl injection | | | | | |
| J2770 | N | Quinupristin/dalfopristin | | | | | |
| J2780 | N | Ranitidine hydrochloride inj | | | | | |
| J2790 | K | Rho d immune globulin inj | 0884 | 0.70 | $36.41 | | $7.28 |
| J2792 | K | Rho(D) immune globulin h, sd | 1609 | 0.22 | $11.44 | | $2.29 |
| J2795 | N | Ropivacaine HCl injection | | | | | |
| J2800 | N | Methocarbamol injection | | | | | |
| J2810 | N | Inj theophylline per 40 MG | | | | | |
| J2820 | N | Sargramostim injection | | | | | |
| J2910 | N | Aurothioglucose injeciton | | | | | |
| J2912 | N | Sodium chloride injection | | | | | |
| J2915 | N | NA Ferric Gluconate Complex | | | | | |
| J2920 | N | Methylprednisolone injection | | | | | |
| J2930 | N | Methylprednisolone injection | | | | | |
| J2940 | N | Somatrem injection | | | | | |
| J2941 | K | Somatropin injection | 7034 | 0.78 | $40.57 | | $8.11 |
| J2950 | N | Promazine hcl injection | | | | | |
| J2993 | K | Reteplase injection | 9005 | 10.84 | $563.78 | | $112.76 |
| J2995 | N | Inj streptokinase /250000 IU | | | | | |
| J2997 | N | Alteplase recombinant | | | | | |
| J3000 | N | Streptomycin injection | | | | | |
| J3010 | N | Fentanyl citrate injeciton | | | | | |
| J3030 | N | Sumatriptan succinate / 6 MG | | | | | |
| J3070 | N | Pentazocine hcl injection | | | | | |
| J3100 | K | Tenecteplase injection | 9002 | 25.46 | $1,324.15 | | $264.83 |
| J3105 | N | Terbutaline sulfate inj | | | | | |
| J3120 | N | Testosterone enanthate inj | | | | | |
| J3130 | N | Testosterone enanthate inj | | | | | |
| J3140 | N | Testosterone suspension inj | | | | | |
| J3150 | N | Testosteron propionate inj | | | | | |
| J3230 | N | Chlorpromazine hcl injection | | | | | |
| J3240 | E | Thyrotropin injection | | | | | |
| J3245 | K | Tirofiban hydrochloride | 7041 | 4.82 | $250.68 | | $50.14 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| J3250 | N | Trimethobenzamide hcl inj | | | | | |
| J3260 | N | Tobramycin sulfate injection | | | | | |
| J3265 | N | Injection torsemide 10 mg/ml | | | | | |
| J3280 | N | Thiethylperazine maleate inj | | | | | |
| J3301 | N | Triamcinolone acetonide inj | | | | | |
| J3302 | N | Triamcinolone diacetate inj | | | | | |
| J3303 | N | Triamcinolone hexacetonl inj | | | | | |
| J3305 | K | Inj trimetrexate glucoronate | 7045 | 1.23 | $63.97 | | $12.79 |
| J3310 | N | Perphenazine injeciton | | | | | |
| J3320 | N | Spectinomycn di-hcl inj | | | | | |
| J3350 | N | Urea injection | | | | | |
| J3360 | N | Diazepam injection | | | | | |
| J3364 | N | Urokinase 5000 IU injection | | | | | |
| J3365 | N | Urokinase 250,000 IU inj | | | | | |
| J3370 | N | Vancomycin hcl injection | | | | | |
| J3395 | K | Verteporfin injection | 1203 | 16.26 | $845.67 | | $169.13 |
| J3400 | N | Triflupromazine hcl inj | | | | | |
| J3410 | N | Hydroxyzine hcl injection | | | | | |
| J3420 | N | Vitamin b12 injection | | | | | |
| J3430 | N | Vitamin k phytonadione inj | | | | | |
| J3470 | N | Hyaluronidase injection | | | | | |
| J3475 | N | Inj magnesium sulfate | | | | | |
| J3480 | N | Inj potassium chloride | | | | | |
| J3485 | N | Zidovudine | | | | | |
| J3490 | N | Drugs unclassified injection | | | | | |
| J3520 | E | Edetate disodium per 150 mg | | | | | |
| J3530 | N | Nasal vaccine inhalation | | | | | |
| J3535 | E | Metered dose inhaler drug | | | | | |
| J3570 | E | Laetrile amygdalin vit B17 | | | | | |
| J7030 | N | Normal saline solution infus | | | | | |
| J7040 | N | Normal saline solution infus | | | | | |
| J7042 | N | 5% dextrose/normal saline | | | | | |
| J7050 | N | Normal saline solution infus | | | | | |
| J7051 | N | Sterile saline/water | | | | | |
| J7060 | N | 5% dextrose/water | | | | | |
| J7070 | N | D5w infusion | | | | | |
| J7100 | N | Dextran 40 infusion | | | | | |
| J7110 | N | Dextran 75 infusion | | | | | |
| J7120 | N | Ringers lactate infusion | | | | | |
| J7130 | N | Hypertonic saline solution | | | | | |
| J7190 | K | Factor viii | 0925 | 0.01 | $.52 | | $.10 |
| J7191 | K | Factor VIII (porcine) | 0926 | 0.02 | $1.04 | | $.21 |
| J7192 | K | Factor viii recombinant | 0927 | 0.01 | $.52 | | $.10 |
| J7193 | K | Factor IX non-recombinant | 0931 | 0.01 | $.52 | | $.10 |
| J7194 | K | Factor ix complex | 0928 | 0.01 | $.52 | | $.10 |
| J7195 | K | Factor IX recombinant | 0932 | 0.03 | $1.56 | | $.31 |
| J7197 | K | Antithrombin iii injection | 0930 | 0.01 | $.52 | | $.10 |
| J7198 | K | Anti-inhibitor | 0929 | 0.01 | $.52 | | $.10 |
| J7199 | E | Hemophilia clot factor noc | | | | | |
| J7300 | E | Intraut copper contraceptive | | | | | |
| J7302 | E | Levonorgestrel iu contracept | | | | | |
| J7308 | N | Aminolevulinic acid hcl top | | | | | |
| J7310 | N | Ganciclovir long act implant | | | | | |
| J7316 | N | Sodium hyaluronate injection | | | | | |
| J7320 | K | Hylan G-F 20 injection | 1611 | 2.43 | $126.38 | | $25.28 |
| J7330 | K | Cultured chondrocytes implnt | 1059 | 43.64 | $2,269.67 | | $453.93 |
| J7340 | E | Metabolic active D/E tissue | | | | | |
| J7500 | N | Azathioprine oral 50mg | | | | | |
| J7501 | N | Azathioprine parenteral | | | | | |
| J7502 | K | Cyclosporine oral 100 mg | 0888 | 0.04 | $2.08 | | $.42 |
| J7504 | K | Lymphocyte immune globulin | 0890 | 3.64 | $189.31 | | $37.86 |
| J7505 | K | Monoclonal antibodies | 7038 | 4.43 | $230.40 | | $46.08 |
| J7506 | N | Prednisone oral | | | | | |
| J7507 | K | Tacrolimus oral per 1 MG | 0891 | 0.02 | $1.04 | | $.21 |
| J7508 | E | Tacrolimus oral per 5 MG | | | | | |
| J7509 | N | Methylprednisolone oral | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| J7510 | N | Prednisolone oral per 5 mg | | | | | |
| J7511 | K | Antithymocyte globuln rabbit | 9104 | 1.97 | $102.46 | | $20.49 |
| J7513 | K | Daclizumab, parenteral | 1612 | 3.77 | $196.07 | | $39.21 |
| J7515 | N | Cyclosporine oral 25 mg | | | | | |
| J7516 | N | Cyclosporin parenteral 250mg | | | | | |
| J7517 | G | Mycophenolate mofetil oral | 9015 | | $2.40 | | $.34 |
| J7520 | K | Sirolimus, oral | 9106 | 0.05 | $2.60 | | $.52 |
| J7525 | N | Tacrolimus injection | | | | | |
| J7599 | E | Immunosuppressive drug noc | | | | | |
| J7608 | A | Acetylcysteine inh sol u d | | | | | |
| J7618 | A | Albuterol inh sol con | | | | | |
| J7619 | A | Albuterol inh sol u d | | | | | |
| J7622 | A | Beclomethasone inhalatn sol | | | | | |
| J7624 | A | Betamethasone inhalation sol | | | | | |
| J7626 | A | Budesonide inhalation sol | | | | | |
| J7628 | A | Bitolterol mes inhal sol con | | | | | |
| J7629 | A | Bitolterol mes inh sol u d | | | | | |
| J7631 | A | Cromolyn sodium inh sol u d | | | | | |
| J7635 | A | Atropine inhal sol con | | | | | |
| J7636 | A | Atropine inhal sol unit dose | | | | | |
| J7637 | A | Dexamethasone inhal sol con | | | | | |
| J7638 | A | Dexamethasone inhal sol u d | | | | | |
| J7639 | A | Dornase alpha inhal sol u d | | | | | |
| J7641 | A | Flunisolide, inhalation sol | | | | | |
| J7642 | A | Glycopyrrolate inhal sol con | | | | | |
| J7643 | A | Glycopyrrolate inhal sol u d | | | | | |
| J7644 | A | Ipratropium brom inh sol u d | | | | | |
| J7648 | A | Isoetharine hcl inh sol con | | | | | |
| J7649 | A | Isoetharine hcl inh sol u d | | | | | |
| J7658 | A | Isoproterenolhcl inh sol con | | | | | |
| J7659 | A | Isoproterenol hcl inh sol ud | | | | | |
| J7668 | A | Metaproterenol inh sol con | | | | | |
| J7669 | A | Metaproterenol inh sol u d | | | | | |
| J7680 | A | Terbutaline so4 inh sol con | | | | | |
| J7681 | A | Terbutaline so4 inh sol u d | | | | | |
| J7682 | A | Tobramycin inhalation sol | | | | | |
| J7683 | A | Triamcinolone inh sol con | | | | | |
| J7684 | A | Triamcinolone inh sol u d | | | | | |
| J7699 | A | Inhalation solution for DME | | | | | |
| J7799 | A | Non-inhalation drug for DME | | | | | |
| J8499 | E | Oral prescrip drug non chemo | | | | | |
| J8510 | N | Oral busulfan | | | | | |
| J8520 | K | Capecitabine, oral, 150 mg | 7042 | 0.03 | $1.56 | | $.31 |
| J8521 | E | Capecitabine, oral, 500 mg | | | | | |
| J8530 | N | Cyclophosphamide oral 25 MG | | | | | |
| J8560 | K | Etoposide oral 50 MG | 0802 | 0.54 | $28.08 | | $5.62 |
| J8600 | N | Melphalan oral 2 MG | | | | | |
| J8610 | N | Methotrexate oral 2.5 MG | | | | | |
| J8700 | K | Temozolmide | 1086 | 0.05 | $2.60 | | $.52 |
| J8999 | E | Oral prescription drug chemo | | | | | |
| J9000 | N | Doxorubic hcl 10 MG vl chemo | | | | | |
| J9001 | K | Doxorubicin hcl liposome inj | 7046 | 4.54 | $236.12 | | $47.22 |
| J9015 | K | Aldesleukin/single use vial | 0807 | 6.09 | $316.73 | | $63.35 |
| J9017 | G | Arsenic trioxide | 9012 | | $23.75 | | $3.40 |
| J9020 | N | Asparaginase injection | | | | | |
| J9031 | N | Bcg live intravesical vac | | | | | |
| J9040 | K | Bleomycin sulfate injection | 0857 | 3.10 | $161.23 | | $32.25 |
| J9045 | K | Carboplatin injection | 0811 | 1.58 | $82.17 | | $16.43 |
| J9050 | N | Carmus bischl nitro inj | | | | | |
| J9060 | K | Cisplatin 10 MG injection | 0813 | 0.47 | $24.44 | | $4.89 |
| J9062 | E | Cisplatin 50 MG injection | | | | | |
| J9065 | K | Inj cladribine per 1 MG | 0858 | 0.84 | $43.69 | | $8.74 |
| J9070 | N | Cyclophosphamide 100 MG inj | | | | | |
| J9080 | E | Cyclophosphamide 200 MG inj | | | | | |
| J9090 | E | Cyclophosphamide 500 MG inj | | | | | |
| J9091 | E | Cyclophosphamide 1.0 grm inj | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| J9092 | E | Cyclophosphamide 2.0 grm inj | | | | | |
| J9093 | N | Cyclophosphamide lyophilized | | | | | |
| J9094 | E | Cyclophosphamide lyophilized | | | | | |
| J9095 | E | Cyclophosphamide lyophilized | | | | | |
| J9096 | E | Cyclophosphamide lyophilized | | | | | |
| J9097 | E | Cyclophosphamide lyophilized | | | | | |
| J9100 | N | Cytarabine hcl 100 MG inj | | | | | |
| J9110 | E | Cytarabine hcl 500 MG inj | | | | | |
| J9120 | N | Dactinomycin actinomycin d | | | | | |
| J9130 | N | Dacarbazine 10 MG inj | | | | | |
| J9140 | E | Dacarbazine 200 MG inj | | | | | |
| J9150 | K | Daunorubicin | 0820 | 2.27 | $118.06 | | $23.61 |
| J9151 | K | Daunorubicin citrate liposom | 0821 | 3.17 | $164.87 | | $32.97 |
| J9160 | K | Denileukin diftitox, 300 mcg | 1084 | 13.94 | $725.01 | | $145.00 |
| J9165 | K | Diethylstilbestrol injection | 0822 | 2.21 | $114.94 | | $22.99 |
| J9170 | K | Docetaxel | 0823 | 4.01 | $208.56 | | $41.71 |
| J9180 | E | Epirubicin HCl injection | | | | | |
| J9181 | N | Etoposide 10 MG inj | | | | | |
| J9182 | E | Etoposide 100 MG inj | | | | | |
| J9185 | K | Fludarabine phosphate inj | 0842 | 3.30 | $171.63 | | $34.33 |
| J9190 | N | Fluorouracil injection | | | | | |
| J9200 | K | Floxuridine injection | 0827 | 2.42 | $125.86 | | $25.17 |
| J9201 | K | Gemcitabine HCl | 0828 | 1.49 | $77.49 | | $15.50 |
| J9202 | K | Goserelin acetate implant | 0810 | 5.94 | $308.93 | | $61.79 |
| J9206 | K | Irinotecan injection | 0830 | 1.86 | $96.74 | | $19.35 |
| J9208 | K | Ifosfomide injection | 0831 | 2.06 | $107.14 | | $21.43 |
| J9209 | K | Mesna injection | 0732 | 0.55 | $28.60 | | $5.72 |
| J9211 | K | Idarubicin hcl injection | 0832 | 4.57 | $237.68 | | $47.54 |
| J9212 | N | Interferon alfacon-1 | | | | | |
| J9213 | N | Interferon alfa-2a inj | | | | | |
| J9214 | N | Interferon alfa-2b inj | | | | | |
| J9215 | N | Interferon alfa-n3 inj | | | | | |
| J9216 | K | Interferon gamma 1-b inj | 0838 | 2.49 | $129.50 | | $25.90 |
| J9217 | K | Leuprolide acetate suspnsion | 9217 | 6.30 | $327.66 | | $65.53 |
| J9218 | K | Leuprolide acetate injeciton | 0861 | 0.84 | $43.69 | | $8.74 |
| J9219 | G | Leuprolide acetate implant | 7051 | | $5,399.80 | | $773.02 |
| J9230 | N | Mechlorethamine hcl inj | | | | | |
| J9245 | K | Inj melphalan hydrochl 50 MG | 0840 | 4.09 | $212.72 | | $42.54 |
| J9250 | N | Methotrexate sodium inj | | | | | |
| J9260 | E | Methotrexate sodium inj | | | | | |
| J9265 | K | Paclitaxel injection | 0863 | 2.50 | $130.02 | | $26.00 |
| J9266 | K | Pegaspargase/singl dose vial | 0843 | 2.38 | $123.78 | | $24.76 |
| J9268 | K | Pentostatin injection | 0844 | 21.32 | $1,108.83 | | $221.77 |
| J9270 | N | Plicamycin (mithramycin) inj | | | | | |
| J9280 | K | Mitomycin 5 MG inj | 0862 | 1.18 | $61.37 | | $12.27 |
| J9290 | E | Mitomycin 20 MG inj | | | | | |
| J9291 | E | Mitomycin 40 MG inj | | | | | |
| J9293 | K | Mitoxantrone hydrochl / 5 MG | 0864 | 3.02 | $157.07 | | $31.41 |
| J9300 | K | Gemtuzumab ozogamicin | 9004 | 1.05 | $54.61 | | $10.92 |
| J9310 | K | Rituximab cancer treatment | 0849 | 5.71 | $296.97 | | $59.39 |
| J9320 | N | Streptozocin injection | | | | | |
| J9340 | N | Thiotepa injection | | | | | |
| J9350 | K | Topotecan | 0852 | 7.61 | $395.79 | | $79.16 |
| J9355 | K | Trastuzumab | 1613 | 0.66 | $34.33 | | $6.87 |
| J9357 | K | Valrubicin, 200 mg | 1614 | 2.04 | $106.10 | | $21.22 |
| J9360 | N | Vinblastine sulfate inj | | | | | |
| J9370 | N | Vincristine sulfate 1 MG inj | | | | | |
| J9375 | E | Vincristine sulfate 2 MG inj | | | | | |
| J9380 | E | Vincristine sulfate 5 MG inj | | | | | |
| J9390 | K | Vinorelbine tartrate/10 mg | 0855 | 1.10 | $57.21 | | $11.44 |
| J9600 | K | Porfimer sodium | 0856 | 26.35 | $1,370.44 | | $274.09 |
| J9999 | E | Chemotherapy drug | | | | | |
| K0001 | A | Standard wheelchair | | | | | |
| K0002 | A | Stnd hemi (low seat) whlchr | | | | | |
| K0003 | A | Lightweight wheelchair | | | | | |
| K0004 | A | High strength ltwt whlchr | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| K0005 | A | Ultralightweight wheelchair | | | | | |
| K0006 | A | Heavy duty wheelchair | | | | | |
| K0007 | A | Extra heavy duty wheelchair | | | | | |
| K0009 | A | Other manual wheelchair/base | | | | | |
| K0010 | A | Stnd wt frame power whlchr | | | | | |
| K0011 | A | Stnd wt pwr whlchr w control | | | | | |
| K0012 | A | Ltwt portbl power whlchr | | | | | |
| K0014 | A | Other power whlchr base | | | | | |
| K0015 | A | Detach non-adjus hght armrst | | | | | |
| K0016 | A | Detach adjust armrst cmplete | | | | | |
| K0017 | A | Detach adjust armrest base | | | | | |
| K0018 | A | Detach adjust armrst upper | | | | | |
| K0019 | A | Arm pad each | | | | | |
| K0020 | A | Fixed adjust armrest pair | | | | | |
| K0021 | A | Anti-tipping device each | | | | | |
| K0022 | A | Reinforced back upholstery | | | | | |
| K0023 | A | Planr back insrt foam w/strp | | | | | |
| K0024 | A | Plnr back insrt foam w/hrdwr | | | | | |
| K0025 | A | Hook-on headrest extension | | | | | |
| K0026 | A | Back upholst lgtwt whlchr | | | | | |
| K0027 | A | Back upholst other whlchr | | | | | |
| K0028 | A | Manual fully reclining back | | | | | |
| K0029 | A | Reinforced seat upholstery | | | | | |
| K0030 | A | Solid plnr seat sngl dnsfoam | | | | | |
| K0031 | A | Safety belt/pelvic strap | | | | | |
| K0032 | A | Seat uphols lgtwt whlchr | | | | | |
| K0033 | A | Seat upholstery other whlchr | | | | | |
| K0034 | A | Heel loop each | | | | | |
| K0035 | A | Heel loop with ankle strap | | | | | |
| K0036 | A | Toe loop each | | | | | |
| K0037 | A | High mount flip-up footrest | | | | | |
| K0038 | A | Leg strap each | | | | | |
| K0039 | A | Leg strap h style each | | | | | |
| K0040 | A | Adjustable angle footplate | | | | | |
| K0041 | A | Large size footplate each | | | | | |
| K0042 | A | Standard size footplate each | | | | | |
| K0043 | A | Ftrst lower extension tube | | | | | |
| K0044 | A | Ftrst upper hanger bracket | | | | | |
| K0045 | A | Footrest complete assembly | | | | | |
| K0046 | A | Elevat legrst low extension | | | | | |
| K0047 | A | Elevat legrst up hangr brack | | | | | |
| K0048 | A | Elevate legrest complete | | | | | |
| K0049 | A | Calf pad each | | | | | |
| K0050 | A | Ratchet assembly | | | | | |
| K0051 | A | Cam relese assem ftrst/lgrst | | | | | |
| K0052 | A | Swingaway detach footrest | | | | | |
| K0053 | A | Elevate footrest articulate | | | | | |
| K0054 | A | Seat wdth 10-12/15/17/20 wc | | | | | |
| K0055 | A | Seat dpth 15/17/18 ltwt wc | | | | | |
| K0056 | A | Seat ht <17 or> =21 ltwt wc | | | | | |
| K0057 | A | Seat wdth 19/20 hvy dty wc | | | | | |
| K0058 | A | Seat dpth 17/18 power wc | | | | | |
| K0059 | A | Plastic coated handrim each | | | | | |
| K0060 | A | Steel handrim each | | | | | |
| K0061 | A | Aluminum handrim each | | | | | |
| K0062 | A | Handrim 8-10 vert/obliq proj | | | | | |
| K0063 | A | Hndrm 12-16 vert/obliq proj | | | | | |
| K0064 | A | Zero pressure tube flat free | | | | | |
| K0065 | A | Spoke protectors | | | | | |
| K0066 | A | Solid tire any size each | | | | | |
| K0067 | A | Pneumatic tire any size each | | | | | |
| K0068 | A | Pneumatic tire tube each | | | | | |
| K0069 | A | Rear whl complete solid tire | | | | | |
| K0070 | A | Rear whl compl pneum tire | | | | | |
| K0071 | A | Front castr compl pneum tire | | | | | |
| K0072 | A | Frnt cstr cmpl sem-pneum tir | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| K0073 | A | Caster pin lock each | | | | | |
| K0074 | A | Pneumatic caster tire each | | | | | |
| K0075 | A | Semi-pneumatic caster tire | | | | | |
| K0076 | A | Solid caster tire each | | | | | |
| K0077 | A | Front caster assem complete | | | | | |
| K0078 | A | Pneumatic caster tire tube | | | | | |
| K0079 | A | Wheel lock extension pair | | | | | |
| K0080 | A | Anti-rollback device pair | | | | | |
| K0081 | A | Wheel lock assembly complete | | | | | |
| K0082 | A | 22 nf deep cycl acid battery | | | | | |
| K0083 | A | 22 nf gel cell battery each | | | | | |
| K0084 | A | Grp 24 deep cycl acid battry | | | | | |
| K0085 | A | Group 24 gel cell battery | | | | | |
| K0086 | A | U-1 lead acid battery each | | | | | |
| K0087 | A | U-1 gel cell battery each | | | | | |
| K0088 | A | Battry chrgr acid/gel cell | | | | | |
| K0089 | A | Battery charger dual mode | | | | | |
| K0090 | A | Rear tire power wheelchair | | | | | |
| K0091 | A | Rear tire tube power whlchr | | | | | |
| K0092 | A | Rear assem cmplt powr whlchr | | | | | |
| K0093 | A | Rear zero pressure tire tube | | | | | |
| K0094 | A | Wheel tire for power base | | | | | |
| K0095 | A | Wheel tire tube each base | | | | | |
| K0096 | A | Wheel assem powr base complt | | | | | |
| K0097 | A | Wheel zero presure tire tube | | | | | |
| K0098 | A | Drive belt power wheelchair | | | | | |
| K0099 | A | Pwr wheelchair front caster | | | | | |
| K0100 | A | Amputee adapter pair | | | | | |
| K0101 | A | One-arm drive attachment | | | | | |
| K0102 | A | Crutch and cane holder | | | | | |
| K0103 | A | Transfer board < 25″ | | | | | |
| K0104 | A | Cylinder tank carrier | | | | | |
| K0105 | A | Iv hanger | | | | | |
| K0106 | A | Arm trough each | | | | | |
| K0107 | A | Wheelchair tray | | | | | |
| K0108 | A | W/c component-accessory NOS | | | | | |
| K0112 | A | Trunk vest supprt innr frame | | | | | |
| K0113 | A | Trunk vest suprt w/o inr frm | | | | | |
| K0114 | A | Whlchr back suprt inr frame | | | | | |
| K0115 | A | Back module orthotic system | | | | | |
| K0116 | A | Back & seat modul orthot sys | | | | | |
| K0183 | A | Nasal application device | | | | | |
| K0184 | A | Nasal pillow or face seal | | | | | |
| K0185 | A | Pos airway pressure headgear | | | | | |
| K0186 | A | Pos airway prssure chinstrap | | | | | |
| K0187 | A | Pos airway pressure tubing | | | | | |
| K0188 | A | Pos airway pressure filter | | | | | |
| K0189 | A | Filter nondisposable w PAP | | | | | |
| K0195 | A | Elevating whlchair leg rests | | | | | |
| K0268 | A | Humidifier nonheated w PAP | | | | | |
| K0415 | E | RX antiemetic drg, oral NOS | | | | | |
| K0416 | E | Rx antiemetic drg,rectal NOS | | | | | |
| K0452 | A | Wheelchair bearings | | | | | |
| K0455 | A | Pump uninterrupted infusion | | | | | |
| K0460 | A | WC power add-on joystick | | | | | |
| K0461 | A | WC power add-on tiller cntrl | | | | | |
| K0462 | A | Temporary replacement eqpmnt | | | | | |
| K0531 | A | Heated humidifier used w pap | | | | | |
| K0532 | A | Noninvasive assist wo backup | | | | | |
| K0533 | A | Noninvasive assist w backup | | | | | |
| K0534 | A | Invasive assist w backup | | | | | |
| K0538 | A | Neg pressure wnd thrpy pump | | | | | |
| K0539 | A | Neg pres wnd thrpy dsg set | | | | | |
| K0540 | A | Neg pres wnd thrp canister | | | | | |
| K0541 | A | SGD prerecorded msg <= 8 min | | | | | |
| K0542 | A | SGD prerecorded msg > 8 min | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| K0543 | A | SGD msg formed by spelling | | | | | |
| K0544 | A | SGD w multi methods msg/accs | | | | | |
| K0545 | A | SGD sftwre prgrm for PC/PDA | | | | | |
| K0546 | A | SGD accessory,mounting systm | | | | | |
| K0547 | A | SGD accessory NOC | | | | | |
| K0548 | A | Insulin lispro | | | | | |
| K0549 | A | Hosp bed hvy dty xtra wide | | | | | |
| K0550 | A | Hosp bed xtra hvy dty x wide | | | | | |
| K0551 | A | Residual limb support system | | | | | |
| L0100 | A | Cranial orthosis/helmet mold | | | | | |
| L0110 | A | Cranial orthosis/helmet nonm | | | | | |
| L0120 | A | Cerv flexible non-adjustable | | | | | |
| L0130 | A | Flex thermoplastic collar mo | | | | | |
| L0140 | A | Cervical semi-rigid adjustab | | | | | |
| L0150 | A | Cerv semi-rig adj molded chn | | | | | |
| L0160 | A | Cerv semi-rig wire occ/mand | | | | | |
| L0170 | A | Cervical collar molded to pt | | | | | |
| L0172 | A | Cerv col thermplas foam 2 pi | | | | | |
| L0174 | A | Cerv col foam 2 piece w thor | | | | | |
| L0180 | A | Cer post col occ/man sup adj | | | | | |
| L0190 | A | Cerv collar supp adj cerv ba | | | | | |
| L0200 | A | Cerv col supp adj bar & thor | | | | | |
| L0210 | A | Thoracic rib belt | | | | | |
| L0220 | A | Thor rib belt custom fabrica | | | | | |
| L0300 | A | TLSO flex surgical support | | | | | |
| L0310 | A | Tlso flexible custom fabrica | | | | | |
| L0315 | A | Tlso flex elas rigid post pa | | | | | |
| L0317 | A | Tlso flex hypext elas post p | | | | | |
| L0320 | A | Tlso a-p contrl w apron frnt | | | | | |
| L0321 | A | Tlso anti-post-cntrl prefab | | | | | |
| L0330 | A | Tlso ant-pos-lateral control | | | | | |
| L0331 | A | Tlso ant-post-lat cntrl prfb | | | | | |
| L0340 | A | Tlso a-p-l-rotary with apron | | | | | |
| L0350 | A | Tlso flex compress jacket cu | | | | | |
| L0360 | A | Tlso flex compress jacket mo | | | | | |
| L0370 | A | Tlso a-p-l-rotary hyperexten | | | | | |
| L0380 | A | Tlso a-p-l-rot w/ pos extens | | | | | |
| L0390 | A | Tlso a-p-l control molded | | | | | |
| L0391 | A | Tlso ant-post-lat-rot cntrl | | | | | |
| L0400 | A | Tlso a-p-l w interface mater | | | | | |
| L0410 | A | Tlso a-p-l two piece constr | | | | | |
| L0420 | A | Tlso a-p-l 2 piece w interfa | | | | | |
| L0430 | A | Tlso a-p-l w interface custm | | | | | |
| L0440 | A | Tlso a-p-l overlap frnt cust | | | | | |
| L0500 | A | Lso flex surgical support | | | | | |
| L0510 | A | Lso flexible custom fabricat | | | | | |
| L0515 | A | Lso flex elas w/ rig post pa | | | | | |
| L0520 | A | Lso a-p-l control with apron | | | | | |
| L0530 | A | Lso ant-pos control w apron | | | | | |
| L0540 | A | Lso lumbar flexion a-p-l | | | | | |
| L0550 | A | Lso a-p-l control molded | | | | | |
| L0560 | A | Lso a-p-l w interface | | | | | |
| L0561 | A | Prefab lso | | | | | |
| L0565 | A | Lso a-p-l control custom | | | | | |
| L0600 | A | Sacroiliac flex surg support | | | | | |
| L0610 | A | Sacroiliac flexible custm fa | | | | | |
| L0620 | A | Sacroiliac semi-rig w apron | | | | | |
| L0700 | A | Ctlso a-p-l control molded | | | | | |
| L0710 | A | Ctlso a-p-l control w/ inter | | | | | |
| L0810 | A | Halo cervical into jckt vest | | | | | |
| L0820 | A | Halo cervical into body jack | | | | | |
| L0830 | A | Halo cerv into milwaukee typ | | | | | |
| L0860 | A | Magnetic resonanc image comp | | | | | |
| L0900 | A | Torso/ptosis support | | | | | |
| L0910 | A | Torso & ptosis supp custm fa | | | | | |
| L0920 | A | Torso/pendulous abd support | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L0930 | A | Pendulous abdomen supp custm | | | | | |
| L0940 | A | Torso/postsurgical support | | | | | |
| L0950 | A | Post surg support custom fab | | | | | |
| L0960 | A | Post surgical support pads | | | | | |
| L0970 | A | Tlso corset front | | | | | |
| L0972 | A | Lso corset front | | | | | |
| L0974 | A | Tlso full corset | | | | | |
| L0976 | A | Lso full corset | | | | | |
| L0978 | A | Axillary crutch extension | | | | | |
| L0980 | A | Peroneal straps pair | | | | | |
| L0982 | A | Stocking supp grips set of f | | | | | |
| L0984 | A | Protective body sock each | | | | | |
| L0986 | A | Spinal orth abdm pnl prefab | | | | | |
| L0999 | A | Add to spinal orthosis NOS | | | | | |
| L1000 | A | Ctlso milwauke initial model | | | | | |
| L1005 | A | Tension based scoliosis orth | | | | | |
| L1010 | A | Ctlso axilla sling | | | | | |
| L1020 | A | Kyphosis pad | | | | | |
| L1025 | A | Kyphosis pad floating | | | | | |
| L1030 | A | Lumbar bolster pad | | | | | |
| L1040 | A | Lumbar or lumbar rib pad | | | | | |
| L1050 | A | Sternal pad | | | | | |
| L1060 | A | Thoracic pad | | | | | |
| L1070 | A | Trapezius sling | | | | | |
| L1080 | A | Outrigger | | | | | |
| L1085 | A | Outrigger bil w/ vert extens | | | | | |
| L1090 | A | Lumbar sling | | | | | |
| L1100 | A | Ring flange plastic/leather | | | | | |
| L1110 | A | Ring flange plas/leather mol | | | | | |
| L1120 | A | Covers for upright each | | | | | |
| L1200 | A | Furnsh initial orthosis only | | | | | |
| L1210 | A | Lateral thoracic extension | | | | | |
| L1220 | A | Anterior thoracic extension | | | | | |
| L1230 | A | Milwaukee type superstructur | | | | | |
| L1240 | A | Lumbar derotation pad | | | | | |
| L1250 | A | Anterior asis pad | | | | | |
| L1260 | A | Anterior thoracic derotation | | | | | |
| L1270 | A | Abdominal pad | | | | | |
| L1280 | A | Rib gusset (elastic) each | | | | | |
| L1290 | A | Lateral trochanteric pad | | | | | |
| L1300 | A | Body jacket mold to patient | | | | | |
| L1310 | A | Post-operative body jacket | | | | | |
| L1499 | A | Spinal orthosis NOS | | | | | |
| L1500 | A | Thkao mobility frame | | | | | |
| L1510 | A | Thkao standing frame | | | | | |
| L1520 | A | Thkao swivel walker | | | | | |
| L1600 | A | Abduct hip flex frejka w cvr | | | | | |
| L1610 | A | Abduct hip flex frejka covr | | | | | |
| L1620 | A | Abduct hip flex pavlik harne | | | | | |
| L1630 | A | Abduct control hip semi-flex | | | | | |
| L1640 | A | Pelv band/spread bar thigh c | | | | | |
| L1650 | A | HO abduction hip adjustable | | | | | |
| L1660 | A | HO abduction static plastic | | | | | |
| L1680 | A | Pelvic & hip control thigh c | | | | | |
| L1685 | A | Post-op hip abduct custom fa | | | | | |
| L1686 | A | HO post-op hip abduction | | | | | |
| L1690 | A | Combination bilateral HO | | | | | |
| L1700 | A | Leg perthes orth toronto typ | | | | | |
| L1710 | A | Legg perthes orth newington | | | | | |
| L1720 | A | Legg perthes orthosis trilat | | | | | |
| L1730 | A | Legg perthes orth scottish r | | | | | |
| L1750 | A | Legg perthes sling | | | | | |
| L1755 | A | Legg perthes patten bottom t | | | | | |
| L1800 | A | Knee orthoses elas w stays | | | | | |
| L1810 | A | Ko elastic with joints | | | | | |
| L1815 | A | Elastic with condylar pads | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L1820 | A | Ko elas w/ condyle pads & jo | | | | | |
| L1825 | A | Ko elastic knee cap | | | | | |
| L1830 | A | Ko immobilizer canvas longit | | | | | |
| L1832 | A | KO adj jnt pos rigid support | | | | | |
| L1834 | A | Ko w/0 joint rigid molded to | | | | | |
| L1840 | A | Ko derot ant cruciate custom | | | | | |
| L1843 | A | KO single upright custom fit | | | | | |
| L1844 | A | Ko w/adj jt rot cntrl molded | | | | | |
| L1845 | A | Ko w/ adj flex/ext rotat cus | | | | | |
| L1846 | A | Ko w adj flex/ext rotat mold | | | | | |
| L1847 | A | KO adjustable w air chambers | | | | | |
| L1850 | A | Ko swedish type | | | | | |
| L1855 | A | Ko plas doub upright jnt mol | | | | | |
| L1858 | A | Ko polycentric pneumatic pad | | | | | |
| L1860 | A | Ko supracondylar socket mold | | | | | |
| L1870 | A | Ko doub upright lacers molde | | | | | |
| L1880 | A | Ko doub upright cuffs/lacers | | | | | |
| L1885 | A | Knee upright w/resistance | | | | | |
| L1900 | A | Afo sprng wir drsflx calf bd | | | | | |
| L1902 | A | Afo ankle gauntlet | | | | | |
| L1904 | A | Afo molded ankle gauntlet | | | | | |
| L1906 | A | Afo multiligamentus ankle su | | | | | |
| L1910 | A | Afo sing bar clasp attach sh | | | | | |
| L1920 | A | Afo sing upright w/ adjust s | | | | | |
| L1930 | A | Afo plastic | | | | | |
| L1940 | A | Afo molded to patient plasti | | | | | |
| L1945 | A | Afo molded plas rig ant tib | | | | | |
| L1950 | A | Afo spiral molded to pt plas | | | | | |
| L1960 | A | Afo pos solid ank plastic mo | | | | | |
| L1970 | A | Afo plastic molded w/ankle j | | | | | |
| L1980 | A | Afo sing solid stirrup calf | | | | | |
| L1990 | A | Afo doub solid stirrup calf | | | | | |
| L2000 | A | Kafo sing fre stirr thi/calf | | | | | |
| L2010 | A | Kafo sng solid stirrup w/o j | | | | | |
| L2020 | A | Kafo dbl solid stirrup band/ | | | | | |
| L2030 | A | Kafo dbl solid stirrup w/o j | | | | | |
| L2035 | A | KAFO plastic pediatric size | | | | | |
| L2036 | A | Kafo plas doub free knee mol | | | | | |
| L2037 | A | Kafo plas sing free knee mol | | | | | |
| L2038 | A | Kafo w/o joint multi-axis an | | | | | |
| L2039 | A | KAFO,plstic,medlat rotat con | | | | | |
| L2040 | A | Hkafo torsion bil rot straps | | | | | |
| L2050 | A | Hkafo torsion cable hip pelv | | | | | |
| L2060 | A | Hkafo torsion ball bearing j | | | | | |
| L2070 | A | Hkafo torsion unilat rot str | | | | | |
| L2080 | A | Hkafo unilat torsion cable | | | | | |
| L2090 | A | Hkafo unilat torsion ball br | | | | | |
| L2102 | E | Afo tibial fx cast plstr mol | | | | | |
| L2104 | E | Afo tib fx cast synthetic mo | | | | | |
| L2106 | A | Afo tib fx cast plaster mold | | | | | |
| L2108 | A | Afo tib fx cast molded to pt | | | | | |
| L2112 | A | Afo tibial fracture soft | | | | | |
| L2114 | A | Afo tib fx semi-rigid | | | | | |
| L2116 | A | Afo tibial fracture rigid | | | | | |
| L2122 | E | Kafo fem fx cast plaster mol | | | | | |
| L2124 | E | Kafo fem fx cast synthet mol | | | | | |
| L2126 | A | Kafo fem fx cast thermoplas | | | | | |
| L2128 | A | Kafo fem fx cast molded to p | | | | | |
| L2132 | A | Kafo femoral fx cast soft | | | | | |
| L2134 | A | Kafo fem fx cast semi-rigid | | | | | |
| L2136 | A | Kafo femoral fx cast rigid | | | | | |
| L2180 | A | Plas shoe insert w ank joint | | | | | |
| L2182 | A | Drop lock knee | | | | | |
| L2184 | A | Limited motion knee joint | | | | | |
| L2186 | A | Adj motion knee jnt lerman t | | | | | |
| L2188 | A | Quadrilateral brim | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L2190 | A | Waist belt | | | | | |
| L2192 | A | Pelvic band & belt thigh fla | | | | | |
| L2200 | A | Limited ankle motion ea jnt | | | | | |
| L2210 | A | Dorsiflexion assist each joi | | | | | |
| L2220 | A | Dorsi & plantar flex ass/res | | | | | |
| L2230 | A | Split flat caliper stirr & p | | | | | |
| L2240 | A | Round caliper and plate atta | | | | | |
| L2250 | A | Foot plate molded stirrup at | | | | | |
| L2260 | A | Reinforced solid stirrup | | | | | |
| L2265 | A | Long tongue stirrup | | | | | |
| L2270 | A | Varus/valgus strap padded/li | | | | | |
| L2275 | A | Plastic mod low ext pad/line | | | | | |
| L2280 | A | Molded inner boot | | | | | |
| L2300 | A | Abduction bar jointed adjust | | | | | |
| L2310 | A | Abduction bar-straight | | | | | |
| L2320 | A | Non-molded lacer | | | | | |
| L2330 | A | Lacer molded to patient mode | | | | | |
| L2335 | A | Anterior swing band | | | | | |
| L2340 | A | Pre-tibial shell molded to p | | | | | |
| L2350 | A | Prosthetic type socket molde | | | | | |
| L2360 | A | Extended steel shank | | | | | |
| L2370 | A | Patten bottom | | | | | |
| L2375 | A | Torsion ank & half solid sti | | | | | |
| L2380 | A | Torsion straight knee joint | | | | | |
| L2385 | A | Straight knee joint heavy du | | | | | |
| L2390 | A | Offset knee joint each | | | | | |
| L2395 | A | Offset knee joint heavy duty | | | | | |
| L2397 | A | Suspension sleeve lower ext | | | | | |
| L2405 | A | Knee joint drop lock ea jnt | | | | | |
| L2415 | A | Knee joint cam lock each joi | | | | | |
| L2425 | A | Knee disc/dial lock/adj flex | | | | | |
| L2430 | A | Knee jnt ratchet lock ea jnt | | | | | |
| L2435 | A | Knee joint polycentric joint | | | | | |
| L2492 | A | Knee lift loop drop lock rin | | | | | |
| L2500 | A | Thi/glut/ischia wgt bearing | | | | | |
| L2510 | A | Th/wght bear quad-lat brim m | | | | | |
| L2520 | A | Th/wght bear quad-lat brim c | | | | | |
| L2525 | A | Th/wght bear nar m-l brim mo | | | | | |
| L2526 | A | Th/wght bear nar m-l brim cu | | | | | |
| L2530 | A | Thigh/wght bear lacer non-mo | | | | | |
| L2540 | A | Thigh/wght bear lacer molded | | | | | |
| L2550 | A | Thigh/wght bear high roll cu | | | | | |
| L2570 | A | Hip clevis type 2 posit jnt | | | | | |
| L2580 | A | Pelvic control pelvic sling | | | | | |
| L2600 | A | Hip clevis/thrust bearing fr | | | | | |
| L2610 | A | Hip clevis/thrust bearing lo | | | | | |
| L2620 | A | Pelvic control hip heavy dut | | | | | |
| L2622 | A | Hip joint adjustable flexion | | | | | |
| L2624 | A | Hip adj flex ext abduct cont | | | | | |
| L2627 | A | Plastic mold recipro hip & c | | | | | |
| L2628 | A | Metal frame recipro hip & ca | | | | | |
| L2630 | A | Pelvic control band & belt u | | | | | |
| L2640 | A | Pelvic control band & belt b | | | | | |
| L2650 | A | Pelv & thor control gluteal | | | | | |
| L2660 | A | Thoracic control thoracic ba | | | | | |
| L2670 | A | Thorac cont paraspinal uprig | | | | | |
| L2680 | A | Thorac cont lat support upri | | | | | |
| L2750 | A | Plating chrome/nickel pr bar | | | | | |
| L2755 | A | Carbon graphite lamination | | | | | |
| L2760 | A | Extension per extension per | | | | | |
| L2768 | A | Ortho sidebar disconnect | | | | | |
| L2770 | A | Low ext orthosis per bar/jnt | | | | | |
| L2780 | A | Non-corrosive finish | | | | | |
| L2785 | A | Drop lock retainer each | | | | | |
| L2795 | A | Knee control full kneecap | | | | | |
| L2800 | A | Knee cap medial or lateral p | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L2810 | A | Knee control condylar pad | | | | | |
| L2820 | A | Soft interface below knee se | | | | | |
| L2830 | A | Soft interface above knee se | | | | | |
| L2840 | A | Tibial length sock fx or equ | | | | | |
| L2850 | A | Femoral lgth sock fx or equa | | | | | |
| L2860 | A | Torsion mechanism knee/ankle | | | | | |
| L2999 | A | Lower extremity orthosis NOS | | | | | |
| L3000 | E | Ft insert ucb berkeley shell | | | | | |
| L3001 | E | Foot insert remov molded spe | | | | | |
| L3002 | E | Foot insert plastazote or eq | | | | | |
| L3003 | E | Foot insert silicone gel eac | | | | | |
| L3010 | E | Foot longitudinal arch suppo | | | | | |
| L3020 | E | Foot longitud/metatarsal sup | | | | | |
| L3030 | E | Foot arch support remov prem | | | | | |
| L3040 | E | Ft arch suprt premold longit | | | | | |
| L3050 | E | Foot arch supp premold metat | | | | | |
| L3060 | E | Foot arch supp longitud/meta | | | | | |
| L3070 | E | Arch suprt att to sho longit | | | | | |
| L3080 | E | Arch supp att to shoe metata | | | | | |
| L3090 | E | Arch supp att to shoe long/m | | | | | |
| L3100 | E | Hallus-valgus nght dynamic s | | | | | |
| L3140 | E | Abduction rotation bar shoe | | | | | |
| L3150 | E | Abduct rotation bar w/o shoe | | | | | |
| L3160 | E | Shoe styled positioning dev | | | | | |
| L3170 | E | Foot plastic heel stabilizer | | | | | |
| L3201 | E | Oxford w supinat/pronat inf | | | | | |
| L3202 | E | Oxford w/ supinat/pronator c | | | | | |
| L3203 | E | Oxford w/ supinator/pronator | | | | | |
| L3204 | E | Hightop w/ supp/pronator inf | | | | | |
| L3206 | E | Hightop w/ supp/pronator chi | | | | | |
| L3207 | E | Hightop w/ supp/pronator jun | | | | | |
| L3208 | E | Surgical boot each infant | | | | | |
| L3209 | E | Surgical boot each child | | | | | |
| L3211 | E | Surgical boot each junior | | | | | |
| L3212 | E | Benesch boot pair infant | | | | | |
| L3213 | E | Benesch boot pair child | | | | | |
| L3214 | E | Benesch boot pair junior | | | | | |
| L3215 | E | Orthopedic ftwear ladies oxf | | | | | |
| L3216 | E | Orthoped ladies shoes dpth i | | | | | |
| L3217 | E | Ladies shoes hightop depth i | | | | | |
| L3218 | E | Ladies surgical boot each | | | | | |
| L3219 | E | Orthopedic mens shoes oxford | | | | | |
| L3221 | E | Orthopedic mens shoes dpth i | | | | | |
| L3222 | E | Mens shoes hightop depth inl | | | | | |
| L3223 | E | Mens surgical boot each | | | | | |
| L3224 | A | Woman's shoe oxford brace | | | | | |
| L3225 | A | Man's shoe oxford brace | | | | | |
| L3230 | E | Custom shoes depth inlay | | | | | |
| L3250 | E | Custom mold shoe remov prost | | | | | |
| L3251 | E | Shoe molded to pt silicone s | | | | | |
| L3252 | E | Shoe molded plastazote cust | | | | | |
| L3253 | E | Shoe molded plastazote cust | | | | | |
| L3254 | E | Orth foot non-stndard size/w | | | | | |
| L3255 | E | Orth foot non-standard size/ | | | | | |
| L3257 | E | Orth foot add charge split s | | | | | |
| L3260 | E | Ambulatory surgical boot eac | | | | | |
| L3265 | E | Plastazote sandal each | | | | | |
| L3300 | E | Sho lift taper to metatarsal | | | | | |
| L3310 | E | Shoe lift elev heel/sole neo | | | | | |
| L3320 | E | Shoe lift elev heel/sole cor | | | | | |
| L3330 | E | Lifts elevation metal extens | | | | | |
| L3332 | E | Shoe lifts tapered to one-ha | | | | | |
| L3334 | E | Shoe lifts elevation heel /i | | | | | |
| L3340 | E | Shoe wedge sach | | | | | |
| L3350 | E | Shoe heel wedge | | | | | |
| L3360 | E | Shoe sole wedge outside sole | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L3370 | E | Shoe sole wedge between sole | | | | | |
| L3380 | E | Shoe clubfoot wedge | | | | | |
| L3390 | E | Shoe outflare wedge | | | | | |
| L3400 | E | Shoe metatarsal bar wedge ro | | | | | |
| L3410 | E | Shoe metatarsal bar between | | | | | |
| L3420 | E | Full sole/heel wedge btween | | | | | |
| L3430 | E | Sho heel count plast reinfor | | | | | |
| L3440 | E | Heel leather reinforced | | | | | |
| L3450 | E | Shoe heel sach cushion type | | | | | |
| L3455 | E | Shoe heel new leather standa | | | | | |
| L3460 | E | Shoe heel new rubber standar | | | | | |
| L3465 | E | Shoe heel thomas with wedge | | | | | |
| L3470 | E | Shoe heel thomas extend to b | | | | | |
| L3480 | E | Shoe heel pad & depress for | | | | | |
| L3485 | E | Shoe heel pad removable for | | | | | |
| L3500 | E | Ortho shoe add leather insol | | | | | |
| L3510 | E | Orthopedic shoe add rub insl | | | | | |
| L3520 | E | O shoe add felt w leath insl | | | | | |
| L3530 | E | Ortho shoe add half sole | | | | | |
| L3540 | E | Ortho shoe add full sole | | | | | |
| L3550 | E | O shoe add standard toe tap | | | | | |
| L3560 | E | O shoe add horseshoe toe tap | | | | | |
| L3570 | E | O shoe add instep extension | | | | | |
| L3580 | E | O shoe add instep velcro clo | | | | | |
| L3590 | E | O shoe convert to sof counte | | | | | |
| L3595 | E | Ortho shoe add march bar | | | | | |
| L3600 | E | Trans shoe calip plate exist | | | | | |
| L3610 | E | Trans shoe caliper plate new | | | | | |
| L3620 | E | Trans shoe solid stirrup exi | | | | | |
| L3630 | E | Trans shoe solid stirrup new | | | | | |
| L3640 | E | Shoe dennis browne splint bo | | | | | |
| L3649 | E | Orthopedic shoe modifica NOS | | | | | |
| L3650 | A | Shlder fig 8 abduct restrain | | | | | |
| L3660 | A | Abduct restrainer canvas&web | | | | | |
| L3670 | A | Acromio/clavicular canvas&we | | | | | |
| L3675 | A | Canvas vest SO | | | | | |
| L3677 | A | SO hard plastic stabilizer | | | | | |
| L3700 | A | Elbow orthoses elas w stays | | | | | |
| L3710 | A | Elbow elastic with metal joi | | | | | |
| L3720 | A | Forearm/arm cuffs free motio | | | | | |
| L3730 | A | Forearm/arm cuffs ext/flex a | | | | | |
| L3740 | A | Cuffs adj lock w/ active con | | | | | |
| L3760 | A | EO withjoint, Prefabricated | | | | | |
| L3800 | A | Whfo short opponen no attach | | | | | |
| L3805 | A | Whfo long opponens no attach | | | | | |
| L3807 | A | WHFO,no joint, prefabricated | | | | | |
| L3810 | A | Whfo thumb abduction bar | | | | | |
| L3815 | A | Whfo second m.p. abduction a | | | | | |
| L3820 | A | Whfo ip ext asst w/ mp ext s | | | | | |
| L3825 | A | Whfo m.p. extension stop | | | | | |
| L3830 | A | Whfo m.p. extension assist | | | | | |
| L3835 | A | Whfo m.p. spring extension a | | | | | |
| L3840 | A | Whfo spring swivel thumb | | | | | |
| L3845 | A | Whfo thumb ip ext ass w/ mp | | | | | |
| L3850 | A | Action wrist w/ dorsiflex as | | | | | |
| L3855 | A | Whfo adj m.p. flexion contro | | | | | |
| L3860 | A | Whfo adj m.p. flex ctrl & i. | | | | | |
| L3890 | E | Torsion mechanism wrist/elbo | | | | | |
| L3900 | A | Hinge extension/flex wrist/f | | | | | |
| L3901 | A | Hinge ext/flex wrist finger | | | | | |
| L3902 | A | Whfo ext power compress gas | | | | | |
| L3904 | A | Whfo electric custom fitted | | | | | |
| L3906 | A | Wrist gauntlet molded to pt | | | | | |
| L3907 | A | Whfo wrst gauntlt thmb spica | | | | | |
| L3908 | A | Wrist cock-up non-molded | | | | | |
| L3910 | A | Whfo swanson design | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L3912 | A | Flex glove w/elastic finger | | | | | |
| L3914 | A | WHO wrist extension cock-up | | | | | |
| L3916 | A | Whfo wrist extens w/ outrigg | | | | | |
| L3918 | A | HFO knuckle bender | | | | | |
| L3920 | A | Knuckle bender with outrigge | | | | | |
| L3922 | A | Knuckle bend 2 seg to flex j | | | | | |
| L3923 | A | HFO, no joint, prefabricated | | | | | |
| L3924 | A | Oppenheimer | | | | | |
| L3926 | A | Thomas suspension | | | | | |
| L3928 | A | Finger extension w/ clock sp | | | | | |
| L3930 | A | Finger extension with wrist | | | | | |
| L3932 | A | Safety pin spring wire | | | | | |
| L3934 | A | Safety pin modified | | | | | |
| L3936 | A | Palmer | | | | | |
| L3938 | A | Dorsal wrist | | | | | |
| L3940 | A | Dorsal wrist w/ outrigger at | | | | | |
| L3942 | A | Reverse knuckle bender | | | | | |
| L3944 | A | Reverse knuckle bend w/ outr | | | | | |
| L3946 | A | HFO composite elastic | | | | | |
| L3948 | A | Finger knuckle bender | | | | | |
| L3950 | A | Oppenheimer w/ knuckle bend | | | | | |
| L3952 | A | Oppenheimer w/ rev knuckle 2 | | | | | |
| L3954 | A | Spreading hand | | | | | |
| L3956 | A | Add joint upper ext orthosis | | | | | |
| L3960 | A | Sewho airplan desig abdu pos | | | | | |
| L3962 | A | Sewho erbs palsey design abd | | | | | |
| L3963 | A | Molded w/ articulating elbow | | | | | |
| L3964 | A | Seo mobile arm sup att to wc | | | | | |
| L3965 | A | Arm supp att to wc rancho ty | | | | | |
| L3966 | A | Mobile arm supports reclinin | | | | | |
| L3968 | A | Friction dampening arm supp | | | | | |
| L3969 | A | Monosuspension arm/hand supp | | | | | |
| L3970 | A | Elevat proximal arm support | | | | | |
| L3972 | A | Offset/lat rocker arm w/ ela | | | | | |
| L3974 | A | Mobile arm support supinator | | | | | |
| L3980 | A | Upp ext fx orthosis humeral | | | | | |
| L3982 | A | Upper ext fx orthosis rad/ul | | | | | |
| L3984 | A | Upper ext fx orthosis wrist | | | | | |
| L3985 | A | Forearm hand fx orth w/ wr h | | | | | |
| L3986 | A | Humeral rad/ulna wrist fx or | | | | | |
| L3995 | A | Sock fracture or equal each | | | | | |
| L3999 | A | Upper limb orthosis NOS | | | | | |
| L4000 | A | Repl girdle milwaukee orth | | | | | |
| L4010 | A | Replace trilateral socket br | | | | | |
| L4020 | A | Replace quadlat socket brim | | | | | |
| L4030 | A | Replace socket brim cust fit | | | | | |
| L4040 | A | Replace molded thigh lacer | | | | | |
| L4045 | A | Replace non-molded thigh lac | | | | | |
| L4050 | A | Replace molded calf lacer | | | | | |
| L4055 | A | Replace non-molded calf lace | | | | | |
| L4060 | A | Replace high roll cuff | | | | | |
| L4070 | A | Replace prox & dist upright | | | | | |
| L4080 | A | Repl met band kafo-afo prox | | | | | |
| L4090 | A | Repl met band kafo-afo calf/ | | | | | |
| L4100 | A | Repl leath cuff kafo prox th | | | | | |
| L4110 | A | Repl leath cuff kafo-afo cal | | | | | |
| L4130 | A | Replace pretibial shell | | | | | |
| L4205 | A | Ortho dvc repair per 15 min | | | | | |
| L4210 | A | Orth dev repair/repl minor p | | | | | |
| L4350 | A | Pneumatic ankle cntrl splint | | | | | |
| L4360 | A | Pneumatic walking splint | | | | | |
| L4370 | A | Pneumatic full leg splint | | | | | |
| L4380 | A | Pneumatic knee splint | | | | | |
| L4392 | A | Replace AFO soft interface | | | | | |
| L4394 | A | Replace foot drop spint | | | | | |
| L4396 | A | Static AFO | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L4398 | A | Foot drop splint recumbent | | | | | |
| L5000 | A | Sho insert w arch toe filler | | | | | |
| L5010 | A | Mold socket ank hgt w/ toe f | | | | | |
| L5020 | A | Tibial tubercle hgt w/ toe f | | | | | |
| L5050 | A | Ank symes mold sckt sach ft | | | | | |
| L5060 | A | Symes met fr leath socket ar | | | | | |
| L5100 | A | Molded socket shin sach foot | | | | | |
| L5105 | A | Plast socket jts/thgh lacer | | | | | |
| L5150 | A | Mold sckt ext knee shin sach | | | | | |
| L5160 | A | Mold socket bent knee shin s | | | | | |
| L5200 | A | Kne sing axis fric shin sach | | | | | |
| L5210 | A | No knee/ankle joints w/ ft b | | | | | |
| L5220 | A | No knee joint with artic ali | | | | | |
| L5230 | A | Fem focal defic constant fri | | | | | |
| L5250 | A | Hip canad sing axi cons fric | | | | | |
| L5270 | A | Tilt table locking hip sing | | | | | |
| L5280 | A | Hemipelvect canad sing axis | | | | | |
| L5301 | A | BK mold socket SACH ft endo | | | | | |
| L5311 | A | Knee disart, SACH ft, endo | | | | | |
| L5321 | A | AK open end SACH | | | | | |
| L5331 | A | Hip disart canadian SACH ft | | | | | |
| L5341 | A | Hemipelvectomy canadian SACH | | | | | |
| L5400 | A | Postop dress & 1 cast chg bk | | | | | |
| L5410 | A | Postop dsg bk ea add cast ch | | | | | |
| L5420 | A | Postop dsg & 1 cast chg ak/d | | | | | |
| L5430 | A | Postop dsg ak ea add cast ch | | | | | |
| L5450 | A | Postop app non-wgt bear dsg | | | | | |
| L5460 | A | Postop app non-wgt bear dsg | | | | | |
| L5500 | A | Init bk ptb plaster direct | | | | | |
| L5505 | A | Init ak ischal plstr direct | | | | | |
| L5510 | A | Prep BK ptb plaster molded | | | | | |
| L5520 | A | Perp BK ptb thermopls direct | | | | | |
| L5530 | A | Prep BK ptb thermopls molded | | | | | |
| L5535 | A | Prep BK ptb open end socket | | | | | |
| L5540 | A | Prep BK ptb laminated socket | | | | | |
| L5560 | A | Prep AK ischial plast molded | | | | | |
| L5570 | A | Prep AK ischial direct form | | | | | |
| L5580 | A | Prep AK ischial thermo mold | | | | | |
| L5585 | A | Prep AK ischial open end | | | | | |
| L5590 | A | Prep AK ischial laminated | | | | | |
| L5595 | A | Hip disartic sach thermopls | | | | | |
| L5600 | A | Hip disart sach laminat mold | | | | | |
| L5610 | A | Above knee hydracadence | | | | | |
| L5611 | A | Ak 4 bar link w/fric swing | | | | | |
| L5613 | A | Ak 4 bar ling w/hydraul swig | | | | | |
| L5614 | A | 4-bar link above knee w/swng | | | | | |
| L5616 | A | Ak univ multiplex sys frict | | | | | |
| L5617 | A | AK/BK self-aligning unit ea | | | | | |
| L5618 | A | Test socket symes | | | | | |
| L5620 | A | Test socket below knee | | | | | |
| L5622 | A | Test socket knee disarticula | | | | | |
| L5624 | A | Test socket above knee | | | | | |
| L5626 | A | Test socket hip disarticulat | | | | | |
| L5628 | A | Test socket hemipelvectomy | | | | | |
| L5629 | A | Below knee acrylic socket | | | | | |
| L5630 | A | Syme typ expandabl wall sckt | | | | | |
| L5631 | A | Ak/knee disartic acrylic soc | | | | | |
| L5632 | A | Symes type ptb brim design s | | | | | |
| L5634 | A | Symes type poster opening so | | | | | |
| L5636 | A | Symes type medial opening so | | | | | |
| L5637 | A | Below knee total contact | | | | | |
| L5638 | A | Below knee leather socket | | | | | |
| L5639 | A | Below knee wood socket | | | | | |
| L5640 | A | Knee disarticulat leather so | | | | | |
| L5642 | A | Above knee leather socket | | | | | |
| L5643 | A | Hip flex inner socket ext fr | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L5644 | A | Above knee wood socket | | | | | |
| L5645 | A | Bk flex inner socket ext fra | | | | | |
| L5646 | A | Below knee air cushion socke | | | | | |
| L5647 | A | Below knee suction socket | | | | | |
| L5648 | A | Above knee air cushion socke | | | | | |
| L5649 | A | Isch containmt/narrow m-l so | | | | | |
| L5650 | A | Tot contact ak/knee disart s | | | | | |
| L5651 | A | Ak flex inner socket ext fra | | | | | |
| L5652 | A | Suction susp ak/knee disart | | | | | |
| L5653 | A | Knee disart expand wall sock | | | | | |
| L5654 | A | Socket insert symes | | | | | |
| L5655 | A | Socket insert below knee | | | | | |
| L5656 | A | Socket insert knee articulat | | | | | |
| L5658 | A | Socket insert above knee | | | | | |
| L5660 | A | Sock insrt syme silicone gel | | | | | |
| L5661 | A | Multi-durometer symes | | | | | |
| L5662 | A | Socket insert bk silicone ge | | | | | |
| L5663 | A | Sock knee disartic silicone | | | | | |
| L5664 | A | Socket insert ak silicone ge | | | | | |
| L5665 | A | Multi-durometer below knee | | | | | |
| L5666 | A | Below knee cuff suspension | | | | | |
| L5668 | A | Socket insert w/o lock lower | | | | | |
| L5670 | A | Bk molded supracondylar susp | | | | | |
| L5671 | A | BK/AK locking mechanism | | | | | |
| L5672 | A | Bk removable medial brim sus | | | | | |
| L5674 | A | Bk suspension sleeve | | | | | |
| L5675 | A | Bk heavy duty susp sleeve | | | | | |
| L5676 | A | Bk knee joints single axis p | | | | | |
| L5677 | A | Bk knee joints polycentric p | | | | | |
| L5678 | A | Bk joint covers pair | | | | | |
| L5680 | A | Bk thigh lacer non-molded | | | | | |
| L5682 | A | Bk thigh lacer glut/ischia m | | | | | |
| L5684 | A | Bk fork strap | | | | | |
| L5686 | A | Bk back check | | | | | |
| L5688 | A | Bk waist belt webbing | | | | | |
| L5690 | A | Bk waist belt padded and lin | | | | | |
| L5692 | A | Ak pelvic control belt light | | | | | |
| L5694 | A | Ak pelvic control belt pad/l | | | | | |
| L5695 | A | Ak sleeve susp neoprene/equa | | | | | |
| L5696 | A | Ak/knee disartic pelvic join | | | | | |
| L5697 | A | Ak/knee disartic pelvic band | | | | | |
| L5698 | A | Ak/knee disartic silesian ba | | | | | |
| L5699 | A | Shoulder harness | | | | | |
| L5700 | A | Replace socket below knee | | | | | |
| L5701 | A | Replace socket above knee | | | | | |
| L5702 | A | Replace socket hip | | | | | |
| L5704 | A | Custom shape cover BK | | | | | |
| L5705 | A | Custom shape cover AK | | | | | |
| L5706 | A | Custom shape cvr knee disart | | | | | |
| L5707 | A | Custom shape cvr hip disart | | | | | |
| L5710 | A | Kne-shin exo sng axi mnl loc | | | | | |
| L5711 | A | Knee-shin exo mnl lock ultra | | | | | |
| L5712 | A | Knee-shin exo frict swg & st | | | | | |
| L5714 | A | Knee-shin exo variable frict | | | | | |
| L5716 | A | Knee-shin exo mech stance ph | | | | | |
| L5718 | A | Knee-shin exo frct swg & sta | | | | | |
| L5722 | A | Knee-shin pneum swg frct exo | | | | | |
| L5724 | A | Knee-shin exo fluid swing ph | | | | | |
| L5726 | A | Knee-shin ext jnts fld swg e | | | | | |
| L5728 | A | Knee-shin fluid swg & stance | | | | | |
| L5780 | A | Knee-shin pneum/hydra pneum | | | | | |
| L5785 | A | Exoskeletal bk ultralt mater | | | | | |
| L5790 | A | Exoskeletal ak ultra-light m | | | | | |
| L5795 | A | Exoskel hip ultra-light mate | | | | | |
| L5810 | A | Endoskel knee-shin mnl lock | | | | | |
| L5811 | A | Endo knee-shin mnl lck ultra | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L5812 | A | Endo knee-shin frct swg & st | | | | | |
| L5814 | A | Endo knee-shin hydral swg ph | | | | | |
| L5816 | A | Endo knee-shin polyc mch sta | | | | | |
| L5818 | A | Endo knee-shin frct swg & st | | | | | |
| L5822 | A | Endo knee-shin pneum swg frc | | | | | |
| L5824 | A | Endo knee-shin fluid swing p | | | | | |
| L5826 | A | Miniature knee joint | | | | | |
| L5828 | A | Endo knee-shin fluid swg/sta | | | | | |
| L5830 | A | Endo knee-shin pneum/swg pha | | | | | |
| L5840 | A | Multi-axial knee/shin system | | | | | |
| L5845 | A | Knee-shin sys stance flexion | | | | | |
| L5846 | A | Knee-shin sys microprocessor | | | | | |
| L5847 | A | Microprocessor cntrl feature | | | | | |
| L5850 | A | Endo ak/hip knee extens assi | | | | | |
| L5855 | A | Mech hip extension assist | | | | | |
| L5910 | A | Endo below knee alignable sy | | | | | |
| L5920 | A | Endo ak/hip alignable system | | | | | |
| L5925 | A | Above knee manual lock | | | | | |
| L5930 | A | High activity knee frame | | | | | |
| L5940 | A | Endo bk ultra-light material | | | | | |
| L5950 | A | Endo ak ultra-light material | | | | | |
| L5960 | A | Endo hip ultra-light materia | | | | | |
| L5962 | A | Below knee flex cover system | | | | | |
| L5964 | A | Above knee flex cover system | | | | | |
| L5966 | A | Hip flexible cover system | | | | | |
| L5968 | A | Multiaxial ankle w dorsiflex | | | | | |
| L5970 | A | Foot external keel sach foot | | | | | |
| L5972 | A | Flexible keel foot | | | | | |
| L5974 | A | Foot single axis ankle/foot | | | | | |
| L5975 | A | Combo ankle/foot prosthesis | | | | | |
| L5976 | A | Energy storing foot | | | | | |
| L5978 | A | Ft prosth multiaxial ankl/ft | | | | | |
| L5979 | A | Multi-axial ankle/ft prosth | | | | | |
| L5980 | A | Flex foot system | | | | | |
| L5981 | A | Flex-walk sys low ext prosth | | | | | |
| L5982 | A | Exoskeletal axial rotation u | | | | | |
| L5984 | A | Endoskeletal axial rotation | | | | | |
| L5985 | A | Lwr ext dynamic prosth pylon | | | | | |
| L5986 | A | Multi-axial rotation unit | | | | | |
| L5987 | A | Shank ft w vert load pylon | | | | | |
| L5988 | A | Vertical shock reducing pylo | | | | | |
| L5989 | A | Pylon w elctrnc force sensor | | | | | |
| L5990 | A | User adjustable heel height | | | | | |
| L5999 | A | Lowr extremity prosthes NOS | | | | | |
| L6000 | A | Par hand robin-aids thum rem | | | | | |
| L6010 | A | Hand robin-aids little/ring | | | | | |
| L6020 | A | Part hand robin-aids no fing | | | | | |
| L6050 | A | Wrst MLd sck flx hng tri pad | | | | | |
| L6055 | A | Wrst mold sock w/exp interfa | | | | | |
| L6100 | A | Elb mold sock flex hinge pad | | | | | |
| L6110 | A | Elbow mold sock suspension t | | | | | |
| L6120 | A | Elbow mold doub splt soc ste | | | | | |
| L6130 | A | Elbow stump activated lock h | | | | | |
| L6200 | A | Elbow mold outsid lock hinge | | | | | |
| L6205 | A | Elbow molded w/ expand inter | | | | | |
| L6250 | A | Elbow inter loc elbow forarm | | | | | |
| L6300 | A | Shlder disart int lock elbow | | | | | |
| L6310 | A | Shoulder passive restor comp | | | | | |
| L6320 | A | Shoulder passive restor cap | | | | | |
| L6350 | A | Thoracic intern lock elbow | | | | | |
| L6360 | A | Thoracic passive restor comp | | | | | |
| L6370 | A | Thoracic passive restor cap | | | | | |
| L6380 | A | Postop dsg cast chg wrst/elb | | | | | |
| L6382 | A | Postop dsg cast chg elb dis/ | | | | | |
| L6384 | A | Postop dsg cast chg shlder/t | | | | | |
| L6386 | A | Postop ea cast chg & realign | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L6388 | A | Postop applicat rigid dsg on | | | | | |
| L6400 | A | Below elbow prosth tiss shap | | | | | |
| L6450 | A | Elb disart prosth tiss shap | | | | | |
| L6500 | A | Above elbow prosth tiss shap | | | | | |
| L6550 | A | Shldr disar prosth tiss shap | | | | | |
| L6570 | A | Scap thorac prosth tiss shap | | | | | |
| L6580 | A | Wrist/elbow bowden cable mol | | | | | |
| L6582 | A | Wrist/elbow bowden cbl dir f | | | | | |
| L6584 | A | Elbow fair lead cable molded | | | | | |
| L6586 | A | Elbow fair lead cable dir fo | | | | | |
| L6588 | A | Shdr fair lead cable molded | | | | | |
| L6590 | A | Shdr fair lead cable direct | | | | | |
| L6600 | A | Polycentric hinge pair | | | | | |
| L6605 | A | Single pivot hinge pair | | | | | |
| L6610 | A | Flexible metal hinge pair | | | | | |
| L6615 | A | Disconnect locking wrist uni | | | | | |
| L6616 | A | Disconnect insert locking wr | | | | | |
| L6620 | A | Flexion-friction wrist unit | | | | | |
| L6623 | A | Spring-ass rot wrst w/ latch | | | | | |
| L6625 | A | Rotation wrst w/ cable lock | | | | | |
| L6628 | A | Quick disconn hook adapter o | | | | | |
| L6629 | A | Lamination collar w/ couplin | | | | | |
| L6630 | A | Stainless steel any wrist | | | | | |
| L6632 | A | Latex suspension sleeve each | | | | | |
| L6635 | A | Lift assist for elbow | | | | | |
| L6637 | A | Nudge control elbow lock | | | | | |
| L6640 | A | Shoulder abduction joint pai | | | | | |
| L6641 | A | Excursion amplifier pulley t | | | | | |
| L6642 | A | Excursion amplifier lever ty | | | | | |
| L6645 | A | Shoulder flexion-abduction j | | | | | |
| L6650 | A | Shoulder universal joint | | | | | |
| L6655 | A | Standard control cable extra | | | | | |
| L6660 | A | Heavy duty control cable | | | | | |
| L6665 | A | Teflon or equal cable lining | | | | | |
| L6670 | A | Hook to hand cable adapter | | | | | |
| L6672 | A | Harness chest/shlder saddle | | | | | |
| L6675 | A | Harness figure of 8 sing con | | | | | |
| L6676 | A | Harness figure of 8 dual con | | | | | |
| L6680 | A | Test sock wrist disart/bel e | | | | | |
| L6682 | A | Test sock elbw disart/above | | | | | |
| L6684 | A | Test socket shldr disart/tho | | | | | |
| L6686 | A | Suction socket | | | | | |
| L6687 | A | Frame typ socket bel elbow/w | | | | | |
| L6688 | A | Frame typ sock above elb/dis | | | | | |
| L6689 | A | Frame typ socket shoulder di | | | | | |
| L6690 | A | Frame typ sock interscap-tho | | | | | |
| L6691 | A | Removable insert each | | | | | |
| L6692 | A | Silicone gel insert or equal | | | | | |
| L6693 | A | Lockingelbow forearm cntrbal | | | | | |
| L6700 | A | Terminal device model #3 | | | | | |
| L6705 | A | Terminal device model #5 | | | | | |
| L6710 | A | Terminal device model #5x | | | | | |
| L6715 | A | Terminal device model #5xa | | | | | |
| L6720 | A | Terminal device model #6 | | | | | |
| L6725 | A | Terminal device model #7 | | | | | |
| L6730 | A | Terminal device model #7lo | | | | | |
| L6735 | A | Terminal device model #8 | | | | | |
| L6740 | A | Terminal device model #8x | | | | | |
| L6745 | A | Terminal device model #88x | | | | | |
| L6750 | A | Terminal device model #10p | | | | | |
| L6755 | A | Terminal device model #10x | | | | | |
| L6765 | A | Terminal device model #12p | | | | | |
| L6770 | A | Terminal device model #99x | | | | | |
| L6775 | A | Terminal device model#555 | | | | | |
| L6780 | A | Terminal device model #ss555 | | | | | |
| L6790 | A | Hooks-accu hook or equal | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L6795 | A | Hooks-2 load or equal | | | | | |
| L6800 | A | Hooks-aprl vc or equal | | | | | |
| L6805 | A | Modifier wrist flexion unit | | | | | |
| L6806 | A | Trs grip vc or equal | | | | | |
| L6807 | A | Term device grip1/2 or equal | | | | | |
| L6808 | A | Term device infant or child | | | | | |
| L6809 | A | Trs super sport passive | | | | | |
| L6810 | A | Pincher tool otto bock or eq | | | | | |
| L6825 | A | Hands dorrance vo | | | | | |
| L6830 | A | Hand aprl vc | | | | | |
| L6835 | A | Hand sierra vo | | | | | |
| L6840 | A | Hand becker imperial | | | | | |
| L6845 | A | Hand becker lock grip | | | | | |
| L6850 | A | Term dvc-hand becker plylite | | | | | |
| L6855 | A | Hand robin-aids vo | | | | | |
| L6860 | A | Hand robin-aids vo soft | | | | | |
| L6865 | A | Hand passive hand | | | | | |
| L6867 | A | Hand detroit infant hand | | | | | |
| L6868 | A | Passive inf hand steeper/hos | | | | | |
| L6870 | A | Hand child mitt | | | | | |
| L6872 | A | Hand nyu child hand | | | | | |
| L6873 | A | Hand mech inf steeper or equ | | | | | |
| L6875 | A | Hand bock vc | | | | | |
| L6880 | A | Hand bock vo | | | | | |
| L6881 | A | Autograsp feature ul term dv | | | | | |
| L6882 | A | Microprocessor control uplmb | | | | | |
| L6890 | A | Production glove | | | | | |
| L6895 | A | Custom glove | | | | | |
| L6900 | A | Hand restorat thumb/1 finger | | | | | |
| L6905 | A | Hand restoration multiple fi | | | | | |
| L6910 | A | Hand restoration no fingers | | | | | |
| L6915 | A | Hand restoration replacmnt g | | | | | |
| L6920 | A | Wrist disarticul switch ctrl | | | | | |
| L6925 | A | Wrist disart myoelectronic c | | | | | |
| L6930 | A | Below elbow switch control | | | | | |
| L6935 | A | Below elbow myoelectronic ct | | | | | |
| L6940 | A | Elbow disarticulation switch | | | | | |
| L6945 | A | Elbow disart myoelectronic c | | | | | |
| L6950 | A | Above elbow switch control | | | | | |
| L6955 | A | Above elbow myoelectronic ct | | | | | |
| L6960 | A | Shldr disartic switch contro | | | | | |
| L6965 | A | Shldr disartic myoelectronic | | | | | |
| L6970 | A | Interscapular-thor switch ct | | | | | |
| L6975 | A | Interscap-thor myoelectronic | | | | | |
| L7010 | A | Hand otto back steeper/eq sw | | | | | |
| L7015 | A | Hand sys teknik village swit | | | | | |
| L7020 | A | Electronic greifer switch ct | | | | | |
| L7025 | A | Electron hand myoelectronic | | | | | |
| L7030 | A | Hand sys teknik vill myoelec | | | | | |
| L7035 | A | Electron greifer myoelectro | | | | | |
| L7040 | A | Prehensile actuator hosmer s | | | | | |
| L7045 | A | Electron hook child michigan | | | | | |
| L7170 | A | Electronic elbow hosmer swit | | | | | |
| L7180 | A | Electronic elbow utah myoele | | | | | |
| L7185 | A | Electron elbow adolescent sw | | | | | |
| L7186 | A | Electron elbow child switch | | | | | |
| L7190 | A | Elbow adolescent myoelectron | | | | | |
| L7191 | A | Elbow child myoelectronic ct | | | | | |
| L7260 | A | Electron wrist rotator otto | | | | | |
| L7261 | A | Electron wrist rotator utah | | | | | |
| L7266 | A | Servo control steeper or equ | | | | | |
| L7272 | A | Analogue control unb or equa | | | | | |
| L7274 | A | Proportional ctl 12 volt uta | | | | | |
| L7360 | A | Six volt bat otto bock/eq ea | | | | | |
| L7362 | A | Battery chrgr six volt otto | | | | | |
| L7364 | A | Twelve volt battery utah/equ | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L7366 | A | Battery chrgr 12 volt utah/e | | | | | |
| L7499 | A | Upper extremity prosthes NOS | | | | | |
| L7500 | A | Prosthetic dvc repair hourly | | | | | |
| L7510 | A | Prosthetic device repair rep | | | | | |
| L7520 | A | Repair prosthesis per 15 min | | | | | |
| L7900 | A | Vacuum erection system | | | | | |
| L8000 | A | Mastectomy bra | | | | | |
| L8001 | A | Breast prosthesis bra & form | | | | | |
| L8002 | A | Brst prsth bra & bilat form | | | | | |
| L8010 | A | Mastectomy sleeve | | | | | |
| L8015 | A | Ext breastprosthesis garment | | | | | |
| L8020 | A | Mastectomy form | | | | | |
| L8030 | A | Breast prosthesis silicone/e | | | | | |
| L8035 | A | Custom breast prosthesis | | | | | |
| L8039 | A | Breast prosthesis NOS | | | | | |
| L8040 | A | Nasal prosthesis | | | | | |
| L8041 | A | Midfacial prosthesis | | | | | |
| L8042 | A | Orbital prosthesis | | | | | |
| L8043 | A | Upper facial prosthesis | | | | | |
| L8044 | A | Hemi-facial prosthesis | | | | | |
| L8045 | A | Auricular prosthesis | | | | | |
| L8046 | A | Partial facial prosthesis | | | | | |
| L8047 | A | Nasal septal prosthesis | | | | | |
| L8048 | A | Unspec maxillofacial prosth | | | | | |
| L8049 | A | Repair maxillofacial prosth | | | | | |
| L8100 | E | Compression stocking BK18-30 | | | | | |
| L8110 | E | Compression stocking BK30-40 | | | | | |
| L8120 | E | Compression stocking BK40-50 | | | | | |
| L8130 | E | Gc stocking thighlngth 18-30 | | | | | |
| L8140 | E | Gc stocking thighlngth 30-40 | | | | | |
| L8150 | E | Gc stocking thighlngth 40-50 | | | | | |
| L8160 | E | Gc stocking full lngth 18-30 | | | | | |
| L8170 | E | Gc stocking full lngth 30-40 | | | | | |
| L8180 | E | Gc stocking full lngth 40-50 | | | | | |
| L8190 | E | Gc stocking waistlngth 18-30 | | | | | |
| L8195 | E | Gc stocking waistlngth 30-40 | | | | | |
| L8200 | E | Gc stocking waistlngth 40-50 | | | | | |
| L8210 | E | Gc stocking custom made | | | | | |
| L8220 | E | Gc stocking lymphedema | | | | | |
| L8230 | E | Gc stocking garter belt | | | | | |
| L8239 | E | G compression stocking NOS | | | | | |
| L8300 | A | Truss single w/ standard pad | | | | | |
| L8310 | A | Truss double w/ standard pad | | | | | |
| L8320 | A | Truss addition to std pad wa | | | | | |
| L8330 | A | Truss add to std pad scrotal | | | | | |
| L8400 | A | Sheath below knee | | | | | |
| L8410 | A | Sheath above knee | | | | | |
| L8415 | A | Sheath upper limb | | | | | |
| L8417 | A | Pros sheath/sock w gel cushn | | | | | |
| L8420 | A | Prosthetic sock multi ply BK | | | | | |
| L8430 | A | Prosthetic sock multi ply AK | | | | | |
| L8435 | A | Pros sock multi ply upper lm | | | | | |
| L8440 | A | Shrinker below knee | | | | | |
| L8460 | A | Shrinker above knee | | | | | |
| L8465 | A | Shrinker upper limb | | | | | |
| L8470 | A | Pros sock single ply BK | | | | | |
| L8480 | A | Pros sock single ply AK | | | | | |
| L8485 | A | Pros sock single ply upper l | | | | | |
| L8490 | A | Air seal suction reten systm | | | | | |
| L8499 | A | Unlisted misc prosthetic ser | | | | | |
| L8500 | A | Artificial larynx | | | | | |
| L8501 | A | Tracheostomy speaking valve | | | | | |
| L8505 | A | Artificial larynx, accessory | | | | | |
| L8507 | A | Trach-esoph voice pros pt in | | | | | |
| L8509 | A | Trach-esoph voice pros md in | | | | | |
| L8510 | A | Voice amplifier | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| L8600 | N | Implant breast silicone/eq | | | | | |
| L8603 | N | Collagen imp urinary 2.5 ml | | | | | |
| L8606 | A | Synthetic implnt urinary 1ml | | | | | |
| L8610 | N | Ocular implant | | | | | |
| L8612 | N | Aqueous shunt prosthesis | | | | | |
| L8613 | N | Ossicular implant | | | | | |
| L8614 | N | Cochlear device/system | | | | | |
| L8619 | A | Replace cochlear processor | | | | | |
| L8630 | N | Metacarpophalangeal implant | | | | | |
| L8641 | N | Metatarsal joint implant | | | | | |
| L8642 | N | Hallux implant | | | | | |
| L8658 | N | Interphalangeal joint implnt | | | | | |
| L8670 | N | Vascular graft, synthetic | | | | | |
| L8699 | N | Prosthetic implant NOS | | | | | |
| L9900 | A | O&P supply/accessory/service | | | | | |
| M0064 | X | Visit for drug monitoring | 0374 | 1.20 | $62.41 | | $12.48 |
| M0075 | E | Cellular therapy | | | | | |
| M0076 | E | Prolotherapy | | | | | |
| M0100 | E | Intragastric hypothermia | | | | | |
| M0300 | E | IV chelationtherapy | | | | | |
| M0301 | E | Fabric wrapping of aneurysm | | | | | |
| P2028 | A | Cephalin floculation test | | | | | |
| P2029 | A | Congo red blood test | | | | | |
| P2031 | E | Hair analysis | | | | | |
| P2033 | A | Blood thymol turbidity | | | | | |
| P2038 | A | Blood mucoprotein | | | | | |
| P3000 | A | Screen pap by tech w md supv | | | | | |
| P3001 | E | Screening pap smear by phys | | | | | |
| P7001 | E | Culture bacterial urine | | | | | |
| P9010 | K | Whole blood for transfusion | 0950 | 1.25 | $65.01 | | $13.00 |
| P9011 | E | Blood split unit | | | | | |
| P9012 | K | Cryoprecipitate each unit | 0952 | 0.53 | $27.56 | | $5.51 |
| P9016 | K | RBC leukocytes reduced | 0954 | 1.59 | $82.69 | | $16.54 |
| P9017 | K | One donor fresh frozn plasma | 0955 | 0.71 | $36.93 | | $7.39 |
| P9019 | K | Platelets, each unit | 0957 | 0.67 | $34.85 | | $6.97 |
| P9020 | K | Plaelet rich plasma unit | 0958 | 1.12 | $58.25 | | $11.65 |
| P9021 | K | Red blood cells unit | 0959 | 1.12 | $58.25 | | $11.65 |
| P9022 | K | Washed red blood cells unit | 0960 | 1.42 | $73.85 | | $14.77 |
| P9023 | K | Frozen plasma, pooled, sd | 0949 | 1.26 | $65.53 | | $13.11 |
| P9031 | K | Platelets leukocytes reduced | 1013 | 0.91 | $47.33 | | $9.47 |
| P9032 | K | Platelets, irradiated | 9500 | 0.92 | $47.85 | | $9.57 |
| P9033 | K | Platelets leukoreduced irrad | 0954 | 1.59 | $82.69 | | $16.54 |
| P9034 | K | Platelets, pheresis | 9501 | 5.10 | $265.25 | | $53.05 |
| P9035 | K | Platelet pheres leukoreduced | 9501 | 5.10 | $265.25 | | $53.05 |
| P9036 | K | Platelet pheresis irradiated | 9502 | 1.99 | $103.50 | | $20.70 |
| P9037 | K | Plate pheres leukoredu irrad | 1019 | 6.93 | $360.42 | | $72.08 |
| P9038 | K | RBC irradiated | 9505 | 1.82 | $94.66 | | $18.93 |
| P9039 | K | RBC deglycerolized | 9504 | 1.91 | $99.34 | | $19.87 |
| P9040 | K | RBC leukoreduced irradiated | 9504 | 1.91 | $99.34 | | $19.87 |
| P9041 | K | Albumin (human),5%, 50ml | 0961 | 0.47 | $24.44 | | $4.89 |
| P9043 | K | Plasma protein fract,5%,50ml | 0956 | 1.94 | $100.90 | | $20.18 |
| P9044 | K | Cryoprecipitatereducedplasma | 1009 | 0.66 | $34.33 | | $6.87 |
| P9045 | K | Albumin (human), 5%, 250 ml | 0963 | 2.37 | $123.26 | | $24.65 |
| P9046 | K | Albumin (human), 25%, 20 ml | 0964 | 0.50 | $26.00 | | $5.20 |
| P9047 | K | Albumin (human), 25%, 50ml | 0965 | 1.25 | $65.01 | | $13.00 |
| P9048 | K | Plasmaprotein fract,5%,250ml | 0966 | 9.71 | $505.01 | | $101.00 |
| P9050 | K | Granulocytes, pheresis unit | 9506 | 0.45 | $23.40 | | $4.68 |
| P9603 | A | One-way allow prorated miles | | | | | |
| P9604 | A | One-way allow prorated trip | | | | | |
| P9612 | N | Catheterize for urine spec | | | | | |
| P9615 | N | Urine specimen collect mult | | | | | |
| Q0035 | X | Cardiokymography | 0100 | 1.34 | $69.69 | $38.33 | $13.94 |
| Q0081 | T | Infusion ther other than che | 0120 | 1.81 | $94.14 | $25.42 | $18.83 |
| Q0083 | S | Chemo by other than infusion | 0116 | 0.85 | $44.21 | | $8.84 |
| Q0084 | S | Chemotherapy by infusion | 0117 | 3.87 | $201.27 | $52.33 | $40.25 |
| Q0085 | S | Chemo by both infusion and o | 0118 | 5.68 | $295.41 | $72.03 | $59.08 |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| Q0086 | A | Physical therapy evaluation/ | | | | | |
| Q0091 | T | Obtaining screen pap smear | 0191 | 0.22 | $11.44 | $3.32 | $2.29 |
| Q0092 | N | Set up port xray equipment | | | | | |
| Q0111 | A | Wet mounts/ w preparations | | | | | |
| Q0112 | A | Potassium hydroxide preps | | | | | |
| Q0113 | A | Pinworm examinations | | | | | |
| Q0114 | A | Fern test | | | | | |
| Q0115 | A | Post-coital mucous exam | | | | | |
| Q0136 | K | Non esrd epoetin alpha inj | 0733 | 0.19 | $9.88 | | $1.98 |
| Q0163 | N | Diphenhydramine HCl 50mg | | | | | |
| Q0164 | N | Prochlorperazine maleate 5mg | | | | | |
| Q0165 | E | Prochlorperazine maleate10mg | | | | | |
| Q0166 | N | Granisetron HCl 1 mg oral | | | | | |
| Q0167 | N | Dronabinol 2.5mg oral | | | | | |
| Q0168 | E | Dronabinol 5mg oral | | | | | |
| Q0169 | N | Promethazine HCl 12.5mg oral | | | | | |
| Q0170 | E | Promethazine HCl 25 mg oral | | | | | |
| Q0171 | N | Chlorpromazine HCl 10mg oral | | | | | |
| Q0172 | E | Chlorpromazine HCl 25mg oral | | | | | |
| Q0173 | N | Trimethobenzamide HCl 250mg | | | | | |
| Q0174 | N | Thiethylperazine maleate10mg | | | | | |
| Q0175 | N | Perphenazine 4mg oral | | | | | |
| Q0176 | E | Perphenazine 8mg oral | | | | | |
| Q0177 | N | Hydroxyzine pamoate 25mg | | | | | |
| Q0178 | E | Hydroxyzine pamoate 50mg | | | | | |
| Q0179 | N | Ondansetron HCl 8mg oral | | | | | |
| Q0180 | N | Dolasetron mesylate oral | | | | | |
| Q0181 | E | Unspecified oral anti-emetic | | | | | |
| Q0183 | N | Nonmetabolic active tissue | | | | | |
| Q0184 | N | Metabolically active tissue | | | | | |
| Q0187 | K | Factor viia recombinant | 1409 | 13.53 | $703.68 | | $140.74 |
| Q1001 | E | Ntiol category 1 | | | | | |
| Q1002 | E | Ntiol category 2 | | | | | |
| Q1003 | E | Ntiol category 3 | | | | | |
| Q1004 | E | Ntiol category 4 | | | | | |
| Q1005 | E | Ntiol category 5 | | | | | |
| Q2001 | N | Oral cabergoline 0.5 mg | | | | | |
| Q2002 | N | Elliotts b solution per ml | | | | | |
| Q2003 | N | Aprotinin, 10,000 kiu | | | | | |
| Q2004 | N | Bladder calculi irrig sol | | | | | |
| Q2005 | K | Corticorelin ovine triflutat | 7024 | 4.62 | $240.28 | | $48.06 |
| Q2006 | K | Digoxin immune fab (ovine) | 7025 | 2.77 | $144.06 | | $28.81 |
| Q2007 | N | Ethanolamine oleate 100 mg | | | | | |
| Q2008 | N | Fomepizole, 15 mg | | | | | |
| Q2009 | N | Fosphenytoin, 50 mg | | | | | |
| Q2010 | N | Glatiramer acetate, per dose | | | | | |
| Q2011 | K | Hemin, per 1 mg | 7030 | 0.01 | $.52 | | $.10 |
| Q2012 | N | Pegademase bovine, 25 iu | | | | | |
| Q2013 | N | Pentastarch 10% solution | | | | | |
| Q2014 | N | Sermorelin acetate, 0.5 mg | | | | | |
| Q2017 | K | Teniposide, 50 mg | 7035 | 1.24 | $64.49 | | $12.90 |
| Q2018 | N | Urofollitropin, 75 iu | | | | | |
| Q2019 | K | Basiliximab | 1615 | 9.64 | $501.37 | | $100.27 |
| Q2020 | E | Histrelin acetate | | | | | |
| Q2021 | N | Lepirudin | | | | | |
| Q2022 | K | VonWillebrandFactrCmplxperIU | 1618 | 0.01 | $.52 | | $.10 |
| Q3001 | N | Brachytherapy Radioelements | | | | | |
| Q3002 | N | Gallium ga 67 | | | | | |
| Q3003 | K | Technetium tc99m bicisate | 1620 | 2.80 | $145.63 | | $29.13 |
| Q3004 | N | Xenon xe 133 | | | | | |
| Q3005 | N | Technetium tc99m mertiatide | | | | | |
| Q3006 | N | Technetium tc99m glucepatate | | | | | |
| Q3007 | N | Sodium phosphate p32 | | | | | |
| Q3008 | K | Indium 111-in pentetreotide | 1625 | 4.57 | $237.68 | | $47.54 |
| Q3009 | N | Technetium tc99m oxidronate | | | | | |
| Q3010 | N | Technetium tc99mlabeledrbcs | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| Q3011 | K | Chromic phosphate p32 | 1628 | 1.35 | $70.21 | | $14.04 |
| Q3012 | N | Cyanocobalamin cobalt co57 | | | | | |
| Q3014 | A | Telehealth facility fee | | | | | |
| Q3017 | E | ALS assessment | | | | | |
| Q3019 | A | ALS emer trans no ALS serv | | | | | |
| Q3020 | A | ALS nonemer trans no ALS se | | | | | |
| Q4001 | A | Cast sup body cast plaster | | | | | |
| Q4002 | A | Cast sup body cast fiberglas | | | | | |
| Q4003 | A | Cast sup shoulder cast plstr | | | | | |
| Q4004 | A | Cast sup shoulder cast fbrgl | | | | | |
| Q4005 | A | Cast sup long arm adult plst | | | | | |
| Q4006 | A | Cast sup long arm adult fbrg | | | | | |
| Q4007 | A | Cast sup long arm ped plster | | | | | |
| Q4008 | A | Cast sup long arm ped fbrgls | | | | | |
| Q4009 | A | Cast sup sht arm adult plstr | | | | | |
| Q4010 | A | Cast sup sht arm adult fbrgl | | | | | |
| Q4011 | A | Cast sup sht arm ped plaster | | | | | |
| Q4012 | A | Cast sup sht arm ped fbrglas | | | | | |
| Q4013 | A | Cast sup gauntlet plaster | | | | | |
| Q4014 | A | Cast sup gauntlet fiberglass | | | | | |
| Q4015 | A | Cast sup gauntlet ped plster | | | | | |
| Q4016 | A | Cast sup gauntlet ped fbrgls | | | | | |
| Q4017 | A | Cast sup lng arm splint plst | | | | | |
| Q4018 | A | Cast sup lng arm splint fbrg | | | | | |
| Q4019 | A | Cast sup lng arm splnt ped p | | | | | |
| Q4020 | A | Cast sup lng arm splnt ped f | | | | | |
| Q4021 | A | Cast sup sht arm splint plst | | | | | |
| Q4022 | A | Cast sup sht arm splint fbrg | | | | | |
| Q4023 | A | Cast sup sht arm splnt ped p | | | | | |
| Q4024 | A | Cast sup sht arm splnt ped f | | | | | |
| Q4025 | A | Cast sup hip spica plaster | | | | | |
| Q4026 | A | Cast sup hip spica fiberglas | | | | | |
| Q4027 | A | Cast sup hip spica ped plstr | | | | | |
| Q4028 | A | Cast sup hip spica ped fbrgl | | | | | |
| Q4029 | A | Cast sup long leg plaster | | | | | |
| Q4030 | A | Cast sup long leg fiberglass | | | | | |
| Q4031 | A | Cast sup lng leg ped plaster | | | | | |
| Q4032 | A | Cast sup lng leg ped fbrgls | | | | | |
| Q4033 | A | Cast sup lng leg cylinder pl | | | | | |
| Q4034 | A | Cast sup lng leg cylinder fb | | | | | |
| Q4035 | A | Cast sup lngleg cylndr ped p | | | | | |
| Q4036 | A | Cast sup lngleg cylndr ped f | | | | | |
| Q4037 | A | Cast sup shrt leg plaster | | | | | |
| Q4038 | A | Cast sup shrt leg fiberglass | | | | | |
| Q4039 | A | Cast sup shrt leg ped plster | | | | | |
| Q4040 | A | Cast sup shrt leg ped fbrgls | | | | | |
| Q4041 | A | Cast sup lng leg splnt plstr | | | | | |
| Q4042 | A | Cast sup lng leg splnt fbrgl | | | | | |
| Q4043 | A | Cast sup lng leg splnt ped p | | | | | |
| Q4044 | A | Cast sup lng leg splnt ped f | | | | | |
| Q4045 | A | Cast sup sht leg splnt plstr | | | | | |
| Q4046 | A | Cast sup sht leg splnt fbrgl | | | | | |
| Q4047 | A | Cast sup sht leg splnt ped p | | | | | |
| Q4048 | A | Cast sup sht leg splnt ped f | | | | | |
| Q4049 | A | Finger splint, static | | | | | |
| Q4050 | A | Cast supplies unlisted | | | | | |
| Q4051 | A | Splint supplies misc | | | | | |
| Q9920 | A | Epoetin with hct <= 20 | | | | | |
| Q9921 | A | Epoetin with hct = 21 | | | | | |
| Q9922 | A | Epoetin with hct = 22 | | | | | |
| Q9923 | A | Epoetin with hct = 23 | | | | | |
| Q9924 | A | Epoetin with hct = 24 | | | | | |
| Q9925 | A | Epoetin with hct = 25 | | | | | |
| Q9926 | A | Epoetin with hct = 26 | | | | | |
| Q9927 | A | Epoetin with hct = 27 | | | | | |
| Q9928 | A | Epoetin with hct = 28 | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| Q9929 | A | Epoetin with hct = 29 | | | | | |
| Q9930 | A | Epoetin with hct = 30 | | | | | |
| Q9931 | A | Epoetin with hct = 31 | | | | | |
| Q9932 | A | Epoetin with hct = 32 | | | | | |
| Q9933 | A | Epoetin with hct = 33 | | | | | |
| Q9934 | A | Epoetin with hct = 34 | | | | | |
| Q9935 | A | Epoetin with hct = 35 | | | | | |
| Q9936 | A | Epoetin with hct = 36 | | | | | |
| Q9937 | A | Epoetin with hct = 37 | | | | | |
| Q9938 | A | Epoetin with hct = 38 | | | | | |
| Q9939 | A | Epoetin with hct = 39 | | | | | |
| Q9940 | A | Epoetin with hct >= 40 | | | | | |
| R0070 | N | Transport portable x-ray | | | | | |
| R0075 | N | Transport port x-ray multipl | | | | | |
| R0076 | N | Transport portable EKG | | | | | |
| T1015 | E | Clinic service | | | | | |
| V2020 | A | Vision svcs frames purchases | | | | | |
| V2025 | E | Eyeglasses delux frames | | | | | |
| V2100 | A | Lens spher single plano 4.00 | | | | | |
| V2101 | A | Single visn sphere 4.12-7.00 | | | | | |
| V2102 | A | Singl visn sphere 7.12-20.00 | | | | | |
| V2103 | A | Spherocylindr 4.00d/12-2.00d | | | | | |
| V2104 | A | Spherocylindr 4.00d/2.12-4d | | | | | |
| V2105 | A | Spherocylinder 4.00d/4.25-6d | | | | | |
| V2106 | A | Spherocylinder 4.00d/>6.00d | | | | | |
| V2107 | A | Spherocylinder 4.25d/12-2d | | | | | |
| V2108 | A | Spherocylinder 4.25d/2.12-4d | | | | | |
| V2109 | A | Spherocylinder 4.25d/4.25-6d | | | | | |
| V2110 | A | Spherocylinder 4.25d/over 6d | | | | | |
| V2111 | A | Spherocylindr 7.25d/.25-2.25 | | | | | |
| V2112 | A | Spherocylindr 7.25d/2.25-4d | | | | | |
| V2113 | A | Spherocylindr 7.25d/4.25-6d | | | | | |
| V2114 | A | Spherocylinder over 12.00d | | | | | |
| V2115 | A | Lens lenticular bifocal | | | | | |
| V2116 | A | Nonaspheric lens bifocal | | | | | |
| V2117 | A | Aspheric lens bifocal | | | | | |
| V2118 | A | Lens aniseikonic single | | | | | |
| V2199 | A | Lens single vision not oth c | | | | | |
| V2200 | A | Lens spher bifoc plano 4.00d | | | | | |
| V2201 | A | Lens sphere bifocal 4.12-7.0 | | | | | |
| V2202 | A | Lens sphere bifocal 7.12-20. | | | | | |
| V2203 | A | Lens sphcyl bifocal 4.00d/.1 | | | | | |
| V2204 | A | Lens sphcy bifocal 4.00d/2.1 | | | | | |
| V2205 | A | Lens sphcy bifocal 4.00d/4.2 | | | | | |
| V2206 | A | Lens sphcy bifocal 4.00d/ove | | | | | |
| V2207 | A | Lens sphcy bifocal 4.25-7d/. | | | | | |
| V2208 | A | Lens sphcy bifocal 4.25-7/2. | | | | | |
| V2209 | A | Lens sphcy bifocal 4.25-7/4. | | | | | |
| V2210 | A | Lens sphcy bifocal 4.25-7/ov | | | | | |
| V2211 | A | Lens sphcy bifo 7.25-12/.25- | | | | | |
| V2212 | A | Lens sphcyl bifo 7.25-12/2.2 | | | | | |
| V2213 | A | Lens sphcyl bifo 7.25-12/4.2 | | | | | |
| V2214 | A | Lens sphcyl bifocal over 12. | | | | | |
| V2215 | A | Lens lenticular bifocal | | | | | |
| V2216 | A | Lens lenticular nonaspheric | | | | | |
| V2217 | A | Lens lenticular aspheric bif | | | | | |
| V2218 | A | Lens aniseikonic bifocal | | | | | |
| V2219 | A | Lens bifocal seg width over | | | | | |
| V2220 | A | Lens bifocal add over 3.25d | | | | | |
| V2299 | A | Lens bifocal speciality | | | | | |
| V2300 | A | Lens sphere trifocal 4.00d | | | | | |
| V2301 | A | Lens sphere trifocal 4.12-7. | | | | | |
| V2302 | A | Lens sphere trifocal 7.12-20 | | | | | |
| V2303 | A | Lens sphcy trifocal 4.0/.12- | | | | | |
| V2304 | A | Lens sphcy trifocal 4.0/2.25 | | | | | |
| V2305 | A | Lens sphcy trifocal 4.0/4.25 | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| V2306 | A | Lens sphcyl trifocal 4.00/>6 | | | | | |
| V2307 | A | Lens sphcy trifocal 4.25-7/. | | | | | |
| V2308 | A | Lens sphc trifocal 4.25-7/2. | | | | | |
| V2309 | A | Lens sphc trifocal 4.25-7/4. | | | | | |
| V2310 | A | Lens sphc trifocal 4.25-7/>6 | | | | | |
| V2311 | A | Lens sphc trifo 7.25-12/.25- | | | | | |
| V2312 | A | Lens sphc trifo 7.25-12/2.25 | | | | | |
| V2313 | A | Lens sphc trifo 7.25-12/4.25 | | | | | |
| V2314 | A | Lens sphcyl trifocal over 12 | | | | | |
| V2315 | A | Lens lenticular trifocal | | | | | |
| V2316 | A | Lens lenticular nonaspheric | | | | | |
| V2317 | A | Lens lenticular aspheric tri | | | | | |
| V2318 | A | Lens aniseikonic trifocal | | | | | |
| V2319 | A | Lens trifocal seg width > 28 | | | | | |
| V2320 | A | Lens trifocal add over 3.25d | | | | | |
| V2399 | A | Lens trifocal speciality | | | | | |
| V2410 | A | Lens variab asphericity sing | | | | | |
| V2430 | A | Lens variable asphericity bi | | | | | |
| V2499 | A | Variable asphericity lens | | | | | |
| V2500 | A | Contact lens pmma spherical | | | | | |
| V2501 | A | Cntct lens pmma-toric/prism | | | | | |
| V2502 | A | Contact lens pmma bifocal | | | | | |
| V2503 | A | Cntct lens pmma color vision | | | | | |
| V2510 | A | Cntct gas permeable sphericl | | | | | |
| V2511 | A | Cntct toric prism ballast | | | | | |
| V2512 | A | Cntct lens gas permbl bifocl | | | | | |
| V2513 | A | Contact lens extended wear | | | | | |
| V2520 | A | Contact lens hydrophilic | | | | | |
| V2521 | A | Cntct lens hydrophilic toric | | | | | |
| V2522 | A | Cntct lens hydrophil bifocl | | | | | |
| V2523 | A | Cntct lens hydrophil extend | | | | | |
| V2530 | A | Contact lens gas impermeable | | | | | |
| V2531 | A | Contact lens gas permeable | | | | | |
| V2599 | A | Contact lens/es other type | | | | | |
| V2600 | A | Hand held low vision aids | | | | | |
| V2610 | A | Single lens spectacle mount | | | | | |
| V2615 | A | Telescop/othr compound lens | | | | | |
| V2623 | A | Plastic eye prosth custom | | | | | |
| V2624 | A | Polishing artifical eye | | | | | |
| V2625 | A | Enlargemnt of eye prosthesis | | | | | |
| V2626 | A | Reduction of eye prosthesis | | | | | |
| V2627 | A | Scleral cover shell | | | | | |
| V2628 | A | Fabrication & fitting | | | | | |
| V2629 | A | Prosthetic eye other type | | | | | |
| V2630 | N | Anter chamber intraocul lens | | | | | |
| V2631 | N | Iris support intraoclr lens | | | | | |
| V2632 | N | Post chmbr intraocular lens | | | | | |
| V2700 | A | Balance lens | | | | | |
| V2710 | A | Glass/plastic slab off prism | | | | | |
| V2715 | A | Prism lens/es | | | | | |
| V2718 | A | Fresnell prism press-on lens | | | | | |
| V2730 | A | Special base curve | | | | | |
| V2740 | A | Rose tint plastic | | | | | |
| V2741 | A | Non-rose tint plastic | | | | | |
| V2742 | A | Rose tint glass | | | | | |
| V2743 | A | Non-rose tint glass | | | | | |
| V2744 | A | Tint photochromatic lens/es | | | | | |
| V2750 | A | Anti-reflective coating | | | | | |
| V2755 | A | UV lens/es | | | | | |
| V2760 | A | Scratch resistant coating | | | | | |
| V2770 | A | Occluder lens/es | | | | | |
| V2780 | A | Oversize lens/es | | | | | |
| V2781 | E | Progressive lens per lens | | | | | |
| V2785 | F | Corneal tissue processing | | | | | |
| V2790 | N | Amniotic membrane | | | | | |
| V2799 | A | Miscellaneous vision service | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| V5008 | E | Hearing screening | | | | | |
| V5010 | E | Assessment for hearing aid | | | | | |
| V5011 | E | Hearing aid fitting/checking | | | | | |
| V5014 | E | Hearing aid repair/modifying | | | | | |
| V5020 | E | Conformity evaluation | | | | | |
| V5030 | E | Body-worn hearing aid air | | | | | |
| V5040 | E | Body-worn hearing aid bone | | | | | |
| V5050 | E | Hearing aid monaural in ear | | | | | |
| V5060 | E | Behind ear hearing aid | | | | | |
| V5070 | E | Glasses air conduction | | | | | |
| V5080 | E | Glasses bone conduction | | | | | |
| V5090 | E | Hearing aid dispensing fee | | | | | |
| V5100 | E | Body-worn bilat hearing aid | | | | | |
| V5110 | E | Hearing aid dispensing fee | | | | | |
| V5120 | E | Body-worn binaur hearing aid | | | | | |
| V5130 | E | In ear binaural hearing aid | | | | | |
| V5140 | E | Behind ear binaur hearing ai | | | | | |
| V5150 | E | Glasses binaural hearing aid | | | | | |
| V5160 | E | Dispensing fee binaural | | | | | |
| V5170 | E | Within ear cros hearing aid | | | | | |
| V5180 | E | Behind ear cros hearing aid | | | | | |
| V5190 | E | Glasses cros hearing aid | | | | | |
| V5200 | E | Cros hearing aid dispens fee | | | | | |
| V5210 | E | In ear bicros hearing aid | | | | | |
| V5220 | E | Behind ear bicros hearing ai | | | | | |
| V5230 | E | Glasses bicros hearing aid | | | | | |
| V5240 | E | Dispensing fee bicros | | | | | |
| V5241 | E | Dispensing fee, monaural | | | | | |
| V5242 | E | Hearing aid, monaural, cic | | | | | |
| V5243 | E | Hearing aid, monaural, itc | | | | | |
| V5244 | E | Hearing aid, prog, mon, cic | | | | | |
| V5245 | E | Hearing aid, prog, mon, itc | | | | | |
| V5246 | E | Hearing aid, prog, mon, ite | | | | | |
| V5247 | E | Hearing aid, prog, mon, bte | | | | | |
| V5248 | E | Hearing aid, binaural, cic | | | | | |
| V5249 | E | Hearing aid, binaural, itc | | | | | |
| V5250 | E | Hearing aid, prog, bin, cic | | | | | |
| V5251 | E | Hearing aid, prog, bin, itc | | | | | |
| V5252 | E | Hearing aid, prog, bin, ite | | | | | |
| V5253 | E | Hearing aid, prog, bin, bte | | | | | |
| V5254 | E | Hearing id, digit, mon, cic | | | | | |
| V5255 | E | Hearing aid, digit, mon, itc | | | | | |
| V5256 | E | Hearing aid, digit, mon, ite | | | | | |
| V5257 | E | Hearing aid, digit, mon, bte | | | | | |
| V5258 | E | Hearing aid, digit, bin, cic | | | | | |
| V5259 | E | Hearing aid, digit, bin, itc | | | | | |
| V5260 | E | Hearing aid, digit, bin, ite | | | | | |
| V5261 | E | Hearing aid, digit, bin, bte | | | | | |
| V5262 | E | Hearing aid, disp, monaural | | | | | |
| V5263 | E | Hearing aid, disp, binaural | | | | | |
| V5264 | E | Ear mold/insert | | | | | |
| V5265 | E | Ear mold/insert, disp | | | | | |
| V5266 | E | Battery for hearing device | | | | | |
| V5267 | E | Hearing aid supply/accessory | | | | | |
| V5268 | E | ALD Telephone Amplifier | | | | | |
| V5269 | E | Alerting device, any type | | | | | |
| V5270 | E | ALD, TV amplifier, any type | | | | | |
| V5271 | E | ALD, TV caption decoder | | | | | |
| V5272 | E | Tdd | | | | | |
| V5273 | E | ALD for cochlear implant | | | | | |
| V5274 | E | ALD unspecified | | | | | |
| V5275 | E | Ear impression | | | | | |
| V5299 | E | Hearing service | | | | | |
| V5336 | E | Repair communication device | | | | | |
| V5362 | A | Speech screening | | | | | |
| V5363 | A | Language screening | | | | | |

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ADDENDUM B.—PAYMENT STATUS BY HCPCS CODE AND RELATED INFORMATION CALENDER YEAR 2003—Continued

| CPT/ HCPCS | Status indicator | Description | APC | Relative weight | Payment rate | National unadjusted copayment | Minimum unadjusted copayment |
|---|---|---|---|---|---|---|---|
| V5364 ..... | A | Dysphagia screening ..... | ..... | ..... | ..... | ..... | ..... |

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ADDENDUM D.—PAYMENT STATUS INDICATORS FOR THE HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM

| Indicator | Service | Status |
|---|---|---|
| A ..... | Ambulance ..... | Ambulance Fee Schedule. |
| A ..... | Clinical Diagnostic Laboratory Services. | Laboratory Fee Schedule. |
| A ..... | Durable Medical Equipment, Prosthetics and Orthotics (excluding implanted DME and prosthetics). | DMEPOS Fee Schedule. |
| A ..... | EPO for ESRD Patients. | National Rate. |
| A ..... | Physical, Occupational and Speech Therapy. | Physician Fee Schedule. |
| A ..... | Physician Services for ESRD Patients. | Physician Fee Schedule. |
| A ..... | Screening Mammography. | Physician Fee Schedule. |

ADDENDUM D.—PAYMENT STATUS INDICATORS FOR THE HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM—Continued

| Indicator | Service | Status |
|---|---|---|
| C ..... | Inpatient Procedures. | Not Payable under OPPS; Admit Patient; Bill as Inpatient. |
| D ..... | Deleted Code | Deleted Effective Beginning of Calendar Year. |
| E ..... | Non-Covered Items and Services, Codes not Reportable in Hospital Outpatient Settings. | Not Paid Under Medicare or When Performed in a Hospital Outpatient Setting. |
| F ..... | Acquisition of Corneal Tissue. | Paid at Reasonable Cost. |
| G ..... | Drug/Biological Pass-Through. | Paid Under OPPS; Separate APC Payment Includes Pass Through Amount. |
| H ..... | Device Category Pass-Through. | Paid Under OPPS; Separate Cost Based Pass Through Payment. |

ADDENDUM D.—PAYMENT STATUS INDICATORS FOR THE HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM—Continued

| Indicator | Service | Status |
|---|---|---|
| K ..... | Non Pass-Through Drug/Biological, Certain Brachytherapy seeds. | Paid Under OPPS; Separate APC. |
| N ..... | Items and Services Packaged into APC Rate. | Paid under OPPS; Payment Is Packaged Into Payment for Other Services. |
| P ..... | Partial Hospitalization. | Paid under OPPS; Per Diem APC. |
| S ..... | Significant Procedure, Not Discounted When Multiple. | Paid Under OPPS; Separate APC. |
| T ..... | Significant Procedure, Multiple Procedure Reduction Applies. | Paid Under OPPS; Separate APC. |
| V ..... | Visit to Clinic or Emergency Department. | Paid Under OPPS; Separate PC. |
| X ..... | Ancillary Service. | Paid Under OPPS; Separate APC |

ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 0001T ..... | C | Endovas repr abdo ao aneurys |
| 0002T ..... | C | Endovas repr abdo ao aneurys |
| 0005T ..... | C | Perc cath stent/brain cv art |
| 0006T ..... | C | Perc cath stent/brain cv art |
| 0007T ..... | C | Perc cath stent/brain cv art |
| 00174 ..... | C | Anesth, pharyngeal surgery |
| 00176 ..... | C | Anesth, pharyngeal surgery |
| 00192 ..... | C | Anesth, facial bone surgery |
| 00214 ..... | C | Anesth, skull drainage |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 00215 ..... | C | Anesth, skull repair/fract |
| 0021T ..... | C | Fetal oximetry, trnsvag/cerv |
| 0024T ..... | C | Transcath cardiac reduction |
| 00404 ..... | C | Anesth, surgery of breast |
| 00406 ..... | C | Anesth, surgery of breast |
| 00452 ..... | C | Anesth, surgery of shoulder |
| 00474 ..... | C | Anesth, surgery of rib(s) |
| 00524 ..... | C | Anesth, chest drainage |
| 00540 ..... | C | Anesth, chest surgery |
| 00542 ..... | C | Anesth, release of lung |
| 00544 ..... | C | Anesth, chest lining removal |
| 00546 ..... | C | Anesth, lung,chest wall surg |
| 00560 ..... | C | Anesth, open heart surgery |
| 00562 ..... | C | Anesth, open heart surgery |
| 00580 ..... | C | Anesth heart/lung transplant |
| 00604 ..... | C | Anesth, sitting procedure |
| 00622 ..... | C | Anesth, removal of nerves |
| 00632 ..... | C | Anesth, removal of nerves |
| 00634 ..... | C | Anesth for chemonucleolysis |
| 00670 ..... | C | Anesth, spine, cord surgery |
| 00792 ..... | C | Anesth, hemorr/excise liver |
| 00794 ..... | C | Anesth, pancreas removal |
| 00796 ..... | C | Anesth, for liver transplant |
| 00802 ..... | C | Anesth, fat layer removal |
| 00844 ..... | C | Anesth, pelvis surgery |
| 00846 ..... | C | Anesth, hysterectomy |
| 00848 ..... | C | Anesth, pelvic organ surg |
| 00864 ..... | C | Anesth, removal of bladder |
| 00865 ..... | C | Anesth, removal of prostate |
| 00866 ..... | C | Anesth, removal of adrenal |
| 00868 ..... | C | Anesth, kidney transplant |
| 00882 ..... | C | Anesth, major vein ligation |
| 00904 ..... | C | Anesth, perineal surgery |
| 00908 ..... | C | Anesth, removal of prostate |
| 00928 ..... | C | Anesth, removal of testis |
| 00932 ..... | C | Anesth, amputation of penis |
| 00934 ..... | C | Anesth, penis, nodes removal |
| 00936 ..... | C | Anesth, penis, nodes removal |
| 00944 ..... | C | Anesth, vaginal hysterectomy |
| 01140 ..... | C | Anesth, amputation at pelvis |
| 01150 ..... | C | Anesth, pelvic tumor surgery |
| 01190 ..... | C | Anesth, pelvis nerve removal |
| 01212 ..... | C | Anesth, hip disarticulation |
| 01214 ..... | C | Anesth, hip arthroplasty |
| 01232 ..... | C | Anesth, amputation of femur |
| 01234 ..... | C | Anesth, radical femur surg |
| 01272 ..... | C | Anesth, femoral artery surg |
| 01274 ..... | C | Anesth, femoral embolectomy |
| 01402 ..... | C | Anesth, knee arthroplasty |
| 01404 ..... | C | Anesth, amputation at knee |
| 01442 ..... | C | Anesth, knee artery surg |
| 01444 ..... | C | Anesth, knee artery repair |
| 01486 ..... | C | Anesth, ankle replacement |
| 01502 ..... | C | Anesth, lwr leg embolectomy |
| 01632 ..... | C | Anesth, surgery of shoulder |
| 01634 ..... | C | Anesth, shoulder joint amput |
| 01636 ..... | C | Anesth, forequarter amput |
| 01638 ..... | C | Anesth, shoulder replacement |
| 01652 ..... | C | Anesth, shoulder vessel surg |
| 01654 ..... | C | Anesth, shoulder vessel surg |
| 01656 ..... | C | Anesth, arm-leg vessel surg |
| 01756 ..... | C | Anesth, radical humerus surg |
| 01990 ..... | C | Support for organ donor |
| 15756 ..... | C | Free muscle flap, microvasc |
| 15757 ..... | C | Free skin flap, microvasc |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 15758 ..... | C | Free fascial flap, microvasc |
| 16035 ..... | C | Incision of burn scab, initi |
| 16036 ..... | C | Incise burn scab, addl incis |
| 19200 ..... | C | Removal of breast |
| 19220 ..... | C | Removal of breast |
| 19271 ..... | C | Revision of chest wall |
| 19272 ..... | C | Extensive chest wall surgery |
| 19361 ..... | C | Breast reconstruction |
| 19364 ..... | C | Breast reconstruction |
| 19367 ..... | C | Breast reconstruction |
| 19368 ..... | C | Breast reconstruction |
| 19369 ..... | C | Breast reconstruction |
| 20660 ..... | C | Apply,remove fixation device |
| 20661 ..... | C | Application of head brace |
| 20662 ..... | C | Application of pelvis brace |
| 20663 ..... | C | Application of thigh brace |
| 20664 ..... | C | Halo brace application |
| 20802 ..... | C | Replantation, arm, complete |
| 20805 ..... | C | Replant, forearm, complete |
| 20808 ..... | C | Replantation hand, complete |
| 20816 ..... | C | Replantation digit, complete |
| 20822 ..... | C | Replantation digit, complete |
| 20824 ..... | C | Replantation thumb, complete |
| 20827 ..... | C | Replantation thumb, complete |
| 20838 ..... | C | Replantation foot, complete |
| 20930 ..... | C | Spinal bone allograft |
| 20931 ..... | C | Spinal bone allograft |
| 20936 ..... | C | Spinal bone autograft |
| 20937 ..... | C | Spinal bone autograft |
| 20938 ..... | C | Spinal bone autograft |
| 20955 ..... | C | Fibula bone graft, microvasc |
| 20956 ..... | C | Iliac bone graft, microvasc |
| 20957 ..... | C | Mt bone graft, microvasc |
| 20962 ..... | C | Other bone graft, microvasc |
| 20969 ..... | C | Bone/skin graft, microvasc |
| 20970 ..... | C | Bone/skin graft, iliac crest |
| 20972 ..... | C | Bone/skin graft, metatarsal |
| 20973 ..... | C | Bone/skin graft, great toe |
| 21045 ..... | C | Extensive jaw surgery |
| 21141 ..... | C | Reconstruct midface, lefort |
| 21142 ..... | C | Reconstruct midface, lefort |
| 21143 ..... | C | Reconstruct midface, lefort |
| 21145 ..... | C | Reconstruct midface, lefort |
| 21146 ..... | C | Reconstruct midface, lefort |
| 21147 ..... | C | Reconstruct midface, lefort |
| 21150 ..... | C | Reconstruct midface, lefort |
| 21151 ..... | C | Reconstruct midface, lefort |
| 21154 ..... | C | Reconstruct midface, lefort |
| 21155 ..... | C | Reconstruct midface, lefort |
| 21159 ..... | C | Reconstruct midface, lefort |
| 21160 ..... | C | Reconstruct midface, lefort |
| 21172 ..... | C | Reconstruct orbit/forehead |
| 21175 ..... | C | Reconstruct orbit/forehead |
| 21179 ..... | C | Reconstruct entire forehead |
| 21180 ..... | C | Reconstruct entire forehead |
| 21182 ..... | C | Reconstruct cranial bone |
| 21183 ..... | C | Reconstruct cranial bone |
| 21184 ..... | C | Reconstruct cranial bone |
| 21188 ..... | C | Reconstruction of midface |
| 21193 ..... | C | Reconst lwr jaw w/o graft |
| 21194 ..... | C | Reconst lwr jaw w/graft |
| 21195 ..... | C | Reconst lwr jaw w/o fixation |
| 21196 ..... | C | Reconst lwr jaw w/fixation |
| 21247 ..... | C | Reconstruct lower jaw bone |
| 21255 ..... | C | Reconstruct lower jaw bone |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 21256 ..... | C | Reconstruction of orbit |
| 21268 ..... | C | Revise eye sockets |
| 21343 ..... | C | Treatment of sinus fracture |
| 21344 ..... | C | Treatment of sinus fracture |
| 21346 ..... | C | Treat nose/jaw fracture |
| 21347 ..... | C | Treat nose/jaw fracture |
| 21348 ..... | C | Treat nose/jaw fracture |
| 21356 ..... | C | Treat cheek bone fracture |
| 21360 ..... | C | Treat cheek bone fracture |
| 21365 ..... | C | Treat cheek bone fracture |
| 21366 ..... | C | Treat cheek bone fracture |
| 21385 ..... | C | Treat eye socket fracture |
| 21386 ..... | C | Treat eye socket fracture |
| 21387 ..... | C | Treat eye socket fracture |
| 21395 ..... | C | Treat eye socket fracture |
| 21408 ..... | C | Treat eye socket fracture |
| 21422 ..... | C | Treat mouth roof fracture |
| 21423 ..... | C | Treat mouth roof fracture |
| 21431 ..... | C | Treat craniofacial fracture |
| 21432 ..... | C | Treat craniofacial fracture |
| 21433 ..... | C | Treat craniofacial fracture |
| 21435 ..... | C | Treat craniofacial fracture |
| 21436 ..... | C | Treat craniofacial fracture |
| 21495 ..... | C | Treat hyoid bone fracture |
| 21510 ..... | C | Drainage of bone lesion |
| 21557 ..... | C | Remove tumor, neck/chest |
| 21615 ..... | C | Removal of rib |
| 21616 ..... | C | Removal of rib and nerves |
| 21620 ..... | C | Partial removal of sternum |
| 21627 ..... | C | Sternal debridement |
| 21630 ..... | C | Extensive sternum surgery |
| 21632 ..... | C | Extensive sternum surgery |
| 21705 ..... | C | Revision of neck muscle/rib |
| 21740 ..... | C | Reconstruction of sternum |
| 21750 ..... | C | Repair of sternum separation |
| 21810 ..... | C | Treatment of rib fracture(s) |
| 21825 ..... | C | Treat sternum fracture |
| 22110 ..... | C | Remove part of neck vertebra |
| 22112 ..... | C | Remove part, thorax vertebra |
| 22114 ..... | C | Remove part, lumbar vertebra |
| 22116 ..... | C | Remove extra spine segment |
| 22210 ..... | C | Revision of neck spine |
| 22212 ..... | C | Revision of thorax spine |
| 22214 ..... | C | Revision of lumbar spine |
| 22216 ..... | C | Revise, extra spine segment |
| 22220 ..... | C | Revision of neck spine |
| 22222 ..... | C | Revision of thorax spine |
| 22224 ..... | C | Revision of lumbar spine |
| 22226 ..... | C | Revise, extra spine segment |
| 22318 ..... | C | Treat odontoid fx w/o graft |
| 22319 ..... | C | Treat odontoid fx w/graft |
| 22325 ..... | C | Treat spine fracture |
| 22326 ..... | C | Treat neck spine fracture |
| 22327 ..... | C | Treat thorax spine fracture |
| 22328 ..... | C | Treat each add spine fx |
| 22548 ..... | C | Neck spine fusion |
| 22554 ..... | C | Neck spine fusion |
| 22556 ..... | C | Thorax spine fusion |
| 22558 ..... | C | Lumbar spine fusion |
| 22585 ..... | C | Additional spinal fusion |
| 22590 ..... | C | Spine & skull spinal fusion |
| 22595 ..... | C | Neck spinal fusion |
| 22600 ..... | C | Neck spine fusion |
| 22610 ..... | C | Thorax spine fusion |
| 22612 ..... | C | Lumbar spine fusion |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 22614 ..... | C | Spine fusion, extra segment |
| 22630 ..... | C | Lumbar spine fusion |
| 22632 ..... | C | Spine fusion, extra segment |
| 22800 ..... | C | Fusion of spine |
| 22802 ..... | C | Fusion of spine |
| 22804 ..... | C | Fusion of spine |
| 22808 ..... | C | Fusion of spine |
| 22810 ..... | C | Fusion of spine |
| 22812 ..... | C | Fusion of spine |
| 22818 ..... | C | Kyphectomy, 1-2 segments |
| 22819 ..... | C | Kyphectomy, 3 or more |
| 22830 ..... | C | Exploration of spinal fusion |
| 22840 ..... | C | Insert spine fixation device |
| 22841 ..... | C | Insert spine fixation device |
| 22842 ..... | C | Insert spine fixation device |
| 22843 ..... | C | Insert spine fixation device |
| 22844 ..... | C | Insert spine fixation device |
| 22845 ..... | C | Insert spine fixation device |
| 22846 ..... | C | Insert spine fixation device |
| 22847 ..... | C | Insert spine fixation device |
| 22848 ..... | C | Insert pelv fixation device |
| 22849 ..... | C | Reinsert spinal fixation |
| 22850 ..... | C | Remove spine fixation device |
| 22851 ..... | C | Apply spine prosth device |
| 22852 ..... | C | Remove spine fixation device |
| 22855 ..... | C | Remove spine fixation device |
| 23200 ..... | C | Removal of collar bone |
| 23210 ..... | C | Removal of shoulder blade |
| 23220 ..... | C | Partial removal of humerus |
| 23221 ..... | C | Partial removal of humerus |
| 23222 ..... | C | Partial removal of humerus |
| 23332 ..... | C | Remove shoulder foreign body |
| 23472 ..... | C | Reconstruct shoulder joint |
| 23900 ..... | C | Amputation of arm & girdle |
| 23920 ..... | C | Amputation at shoulder joint |
| 24149 ..... | C | Radical resection of elbow |
| 24900 ..... | C | Amputation of upper arm |
| 24920 ..... | C | Amputation of upper arm |
| 24930 ..... | C | Amputation follow-up surgery |
| 24931 ..... | C | Amputate upper arm & implant |
| 24940 ..... | C | Revision of upper arm |
| 25900 ..... | C | Amputation of forearm |
| 25905 ..... | C | Amputation of forearm |
| 25909 ..... | C | Amputation follow-up surgery |
| 25915 ..... | C | Amputation of forearm |
| 25920 ..... | C | Amputate hand at wrist |
| 25924 ..... | C | Amputation follow-up surgery |
| 25927 ..... | C | Amputation of hand |
| 25931 ..... | C | Amputation follow-up surgery |
| 26551 ..... | C | Great toe-hand transfer |
| 26553 ..... | C | Single transfer, toe-hand |
| 26554 ..... | C | Double transfer, toe-hand |
| 26556 ..... | C | Toe joint transfer |
| 26992 ..... | C | Drainage of bone lesion |
| 27005 ..... | C | Incision of hip tendon |
| 27006 ..... | C | Incision of hip tendons |
| 27025 ..... | C | Incision of hip/thigh fascia |
| 27030 ..... | C | Drainage of hip joint |
| 27036 ..... | C | Excision of hip joint/muscle |
| 27054 ..... | C | Removal of hip joint lining |
| 27070 ..... | C | Partial removal of hip bone |
| 27071 ..... | C | Partial removal of hip bone |
| 27075 ..... | C | Extensive hip surgery |
| 27076 ..... | C | Extensive hip surgery |
| 27077 ..... | C | Extensive hip surgery |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 27078 ..... | C | Extensive hip surgery |
| 27079 ..... | C | Extensive hip surgery |
| 27090 ..... | C | Removal of hip prosthesis |
| 27091 ..... | C | Removal of hip prosthesis |
| 27120 ..... | C | Reconstruction of hip socket |
| 27122 ..... | C | Reconstruction of hip socket |
| 27125 ..... | C | Partial hip replacement |
| 27130 ..... | C | Total hip arthroplasty |
| 27132 ..... | C | Total hip arthroplasty |
| 27134 ..... | C | Revise hip joint replacement |
| 27137 ..... | C | Revise hip joint replacement |
| 27138 ..... | C | Revise hip joint replacement |
| 27140 ..... | C | Transplant femur ridge |
| 27146 ..... | C | Incision of hip bone |
| 27147 ..... | C | Revision of hip bone |
| 27151 ..... | C | Incision of hip bones |
| 27156 ..... | C | Revision of hip bones |
| 27158 ..... | C | Revision of pelvis |
| 27161 ..... | C | Incision of neck of femur |
| 27165 ..... | C | Incision/fixation of femur |
| 27170 ..... | C | Repair/graft femur head/neck |
| 27175 ..... | C | Treat slipped epiphysis |
| 27176 ..... | C | Treat slipped epiphysis |
| 27177 ..... | C | Treat slipped epiphysis |
| 27178 ..... | C | Treat slipped epiphysis |
| 27179 ..... | C | Revise head/neck of femur |
| 27181 ..... | C | Treat slipped epiphysis |
| 27185 ..... | C | Revision of femur epiphysis |
| 27187 ..... | C | Reinforce hip bones |
| 27215 ..... | C | Treat pelvic fracture(s) |
| 27217 ..... | C | Treat pelvic ring fracture |
| 27218 ..... | C | Treat pelvic ring fracture |
| 27222 ..... | C | Treat hip socket fracture |
| 27226 ..... | C | Treat hip wall fracture |
| 27227 ..... | C | Treat hip fracture(s) |
| 27228 ..... | C | Treat hip fracture(s) |
| 27232 ..... | C | Treat thigh fracture |
| 27236 ..... | C | Treat thigh fracture |
| 27240 ..... | C | Treat thigh fracture |
| 27244 ..... | C | Treat thigh fracture |
| 27245 ..... | C | Treat thigh fracture |
| 27248 ..... | C | Treat thigh fracture |
| 27253 ..... | C | Treat hip dislocation |
| 27254 ..... | C | Treat hip dislocation |
| 27258 ..... | C | Treat hip dislocation |
| 27259 ..... | C | Treat hip dislocation |
| 27280 ..... | C | Fusion of sacroiliac joint |
| 27282 ..... | C | Fusion of pubic bones |
| 27284 ..... | C | Fusion of hip joint |
| 27286 ..... | C | Fusion of hip joint |
| 27290 ..... | C | Amputation of leg at hip |
| 27295 ..... | C | Amputation of leg at hip |
| 27303 ..... | C | Drainage of bone lesion |
| 27365 ..... | C | Extensive leg surgery |
| 27445 ..... | C | Revision of knee joint |
| 27447 ..... | C | Total knee arthroplasty |
| 27448 ..... | C | Incision of thigh |
| 27450 ..... | C | Incision of thigh |
| 27454 ..... | C | Realignment of thigh bone |
| 27455 ..... | C | Realignment of knee |
| 27457 ..... | C | Realignment of knee |
| 27465 ..... | C | Shortening of thigh bone |
| 27466 ..... | C | Lengthening of thigh bone |
| 27468 ..... | C | Shorten/lengthen thighs |
| 27470 ..... | C | Repair of thigh |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 27472 ..... | C | Repair/graft of thigh |
| 27475 ..... | C | Surgery to stop leg growth |
| 27477 ..... | C | Surgery to stop leg growth |
| 27479 ..... | C | Surgery to stop leg growth |
| 27485 ..... | C | Surgery to stop leg growth |
| 27486 ..... | C | Revise/replace knee joint |
| 27487 ..... | C | Revise/replace knee joint |
| 27488 ..... | C | Removal of knee prosthesis |
| 27495 ..... | C | Reinforce thigh |
| 27506 ..... | C | Treatment of thigh fracture |
| 27507 ..... | C | Treatment of thigh fracture |
| 27511 ..... | C | Treatment of thigh fracture |
| 27513 ..... | C | Treatment of thigh fracture |
| 27514 ..... | C | Treatment of thigh fracture |
| 27519 ..... | C | Treat thigh fx growth plate |
| 27535 ..... | C | Treat knee fracture |
| 27536 ..... | C | Treat knee fracture |
| 27540 ..... | C | Treat knee fracture |
| 27556 ..... | C | Treat knee dislocation |
| 27557 ..... | C | Treat knee dislocation |
| 27558 ..... | C | Treat knee dislocation |
| 27580 ..... | C | Fusion of knee |
| 27590 ..... | C | Amputate leg at thigh |
| 27591 ..... | C | Amputate leg at thigh |
| 27592 ..... | C | Amputate leg at thigh |
| 27596 ..... | C | Amputation follow-up surgery |
| 27598 ..... | C | Amputate lower leg at knee |
| 27645 ..... | C | Extensive lower leg surgery |
| 27646 ..... | C | Extensive lower leg surgery |
| 27702 ..... | C | Reconstruct ankle joint |
| 27703 ..... | C | Reconstruction, ankle joint |
| 27712 ..... | C | Realignment of lower leg |
| 27715 ..... | C | Revision of lower leg |
| 27720 ..... | C | Repair of tibia |
| 27722 ..... | C | Repair/graft of tibia |
| 27724 ..... | C | Repair/graft of tibia |
| 27725 ..... | C | Repair of lower leg |
| 27727 ..... | C | Repair of lower leg |
| 27880 ..... | C | Amputation of lower leg |
| 27881 ..... | C | Amputation of lower leg |
| 27882 ..... | C | Amputation of lower leg |
| 27886 ..... | C | Amputation follow-up surgery |
| 27888 ..... | C | Amputation of foot at ankle |
| 28800 ..... | C | Amputation of midfoot |
| 28805 ..... | C | Amputation thru metatarsal |
| 31225 ..... | C | Removal of upper jaw |
| 31230 ..... | C | Removal of upper jaw |
| 31290 ..... | C | Nasal/sinus endoscopy, surg |
| 31291 ..... | C | Nasal/sinus endoscopy, surg |
| 31292 ..... | C | Nasal/sinus endoscopy, surg |
| 31293 ..... | C | Nasal/sinus endoscopy, surg |
| 31294 ..... | C | Nasal/sinus endoscopy, surg |
| 31360 ..... | C | Removal of larynx |
| 31365 ..... | C | Removal of larynx |
| 31367 ..... | C | Partial removal of larynx |
| 31368 ..... | C | Partial removal of larynx |
| 31370 ..... | C | Partial removal of larynx |
| 31375 ..... | C | Partial removal of larynx |
| 31380 ..... | C | Partial removal of larynx |
| 31382 ..... | C | Partial removal of larynx |
| 31390 ..... | C | Removal of larynx & pharynx |
| 31395 ..... | C | Reconstruct larynx & pharynx |
| 31584 ..... | C | Treat larynx fracture |
| 31587 ..... | C | Revision of larynx |
| 31725 ..... | C | Clearance of airways |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 31760 ..... | C | Repair of windpipe |
| 31766 ..... | C | Reconstruction of windpipe |
| 31770 ..... | C | Repair/graft of bronchus |
| 31775 ..... | C | Reconstruct bronchus |
| 31780 ..... | C | Reconstruct windpipe |
| 31781 ..... | C | Reconstruct windpipe |
| 31786 ..... | C | Remove windpipe lesion |
| 31800 ..... | C | Repair of windpipe injury |
| 31805 ..... | C | Repair of windpipe injury |
| 32035 ..... | C | Exploration of chest |
| 32036 ..... | C | Exploration of chest |
| 32095 ..... | C | Biopsy through chest wall |
| 32100 ..... | C | Exploration/biopsy of chest |
| 32110 ..... | C | Explore/repair chest |
| 32120 ..... | C | Re-exploration of chest |
| 32124 ..... | C | Explore chest free adhesions |
| 32140 ..... | C | Removal of lung lesion(s) |
| 32141 ..... | C | Remove/treat lung lesions |
| 32150 ..... | C | Removal of lung lesion(s) |
| 32151 ..... | C | Remove lung foreign body |
| 32160 ..... | C | Open chest heart massage |
| 32200 ..... | C | Drain, open, lung lesion |
| 32215 ..... | C | Treat chest lining |
| 32220 ..... | C | Release of lung |
| 32225 ..... | C | Partial release of lung |
| 32310 ..... | C | Removal of chest lining |
| 32320 ..... | C | Free/remove chest lining |
| 32402 ..... | C | Open biopsy chest lining |
| 32440 ..... | C | Removal of lung |
| 32442 ..... | C | Sleeve pneumonectomy |
| 32445 ..... | C | Removal of lung |
| 32480 ..... | C | Partial removal of lung |
| 32482 ..... | C | Bilobectomy |
| 32484 ..... | C | Segmentectomy |
| 32486 ..... | C | Sleeve lobectomy |
| 32488 ..... | C | Completion pneumonectomy |
| 32491 ..... | C | Lung volume reduction |
| 32500 ..... | C | Partial removal of lung |
| 32501 ..... | C | Repair bronchus add-on |
| 32520 ..... | C | Remove lung & revise chest |
| 32522 ..... | C | Remove lung & revise chest |
| 32525 ..... | C | Remove lung & revise chest |
| 32540 ..... | C | Removal of lung lesion |
| 32650 ..... | C | Thoracoscopy, surgical |
| 32651 ..... | C | Thoracoscopy, surgical |
| 32652 ..... | C | Thoracoscopy, surgical |
| 32653 ..... | C | Thoracoscopy, surgical |
| 32654 ..... | C | Thoracoscopy, surgical |
| 32655 ..... | C | Thoracoscopy, surgical |
| 32656 ..... | C | Thoracoscopy, surgical |
| 32657 ..... | C | Thoracoscopy, surgical |
| 32658 ..... | C | Thoracoscopy, surgical |
| 32659 ..... | C | Thoracoscopy, surgical |
| 32660 ..... | C | Thoracoscopy, surgical |
| 32661 ..... | C | Thoracoscopy, surgical |
| 32662 ..... | C | Thoracoscopy, surgical |
| 32663 ..... | C | Thoracoscopy, surgical |
| 32664 ..... | C | Thoracoscopy, surgical |
| 32665 ..... | C | Thoracoscopy, surgical |
| 32800 ..... | C | Repair lung hernia |
| 32810 ..... | C | Close chest after drainage |
| 32815 ..... | C | Close bronchial fistula |
| 32820 ..... | C | Reconstruct injured chest |
| 32850 ..... | C | Donor pneumonectomy |
| 32851 ..... | C | Lung transplant, single |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 32852 ..... | C | Lung transplant with bypass |
| 32853 ..... | C | Lung transplant, double |
| 32854 ..... | C | Lung transplant with bypass |
| 32900 ..... | C | Removal of rib(s) |
| 32905 ..... | C | Revise & repair chest wall |
| 32906 ..... | C | Revise & repair chest wall |
| 32940 ..... | C | Revision of lung |
| 32997 ..... | C | Total lung lavage |
| 33015 ..... | C | Incision of heart sac |
| 33020 ..... | C | Incision of heart sac |
| 33025 ..... | C | Incision of heart sac |
| 33030 ..... | C | Partial removal of heart sac |
| 33031 ..... | C | Partial removal of heart sac |
| 33050 ..... | C | Removal of heart sac lesion |
| 33120 ..... | C | Removal of heart lesion |
| 33130 ..... | C | Removal of heart lesion |
| 33140 ..... | C | Heart revascularize (tmr) |
| 33141 ..... | C | Heart tmr w/other procedure |
| 33200 ..... | C | Insertion of heart pacemaker |
| 33201 ..... | C | Insertion of heart pacemaker |
| 33236 ..... | C | Remove electrode/thoracotomy |
| 33237 ..... | C | Remove electrode/thoracotomy |
| 33238 ..... | C | Remove electrode/thoracotomy |
| 33243 ..... | C | Remove eltrd/thoracotomy |
| 33245 ..... | C | Insert epic eltrd pace-defib |
| 33246 ..... | C | Insert epic eltrd/generator |
| 33250 ..... | C | Ablate heart dysrhythm focus |
| 33251 ..... | C | Ablate heart dysrhythm focus |
| 33253 ..... | C | Reconstruct atria |
| 33261 ..... | C | Ablate heart dysrhythm focus |
| 33300 ..... | C | Repair of heart wound |
| 33305 ..... | C | Repair of heart wound |
| 33310 ..... | C | Exploratory heart surgery |
| 33315 ..... | C | Exploratory heart surgery |
| 33320 ..... | C | Repair major blood vessel(s) |
| 33321 ..... | C | Repair major vessel |
| 33322 ..... | C | Repair major blood vessel(s) |
| 33330 ..... | C | Insert major vessel graft |
| 33332 ..... | C | Insert major vessel graft |
| 33335 ..... | C | Insert major vessel graft |
| 33400 ..... | C | Repair of aortic valve |
| 33401 ..... | C | Valvuloplasty, open |
| 33403 ..... | C | Valvuloplasty, w/cp bypass |
| 33404 ..... | C | Prepare heart-aorta conduit |
| 33405 ..... | C | Replacement of aortic valve |
| 33406 ..... | C | Replacement of aortic valve |
| 33410 ..... | C | Replacement of aortic valve |
| 33411 ..... | C | Replacement of aortic valve |
| 33412 ..... | C | Replacement of aortic valve |
| 33413 ..... | C | Replacement of aortic valve |
| 33414 ..... | C | Repair of aortic valve |
| 33415 ..... | C | Revision, subvalvular tissue |
| 33416 ..... | C | Revise ventricle muscle |
| 33417 ..... | C | Repair of aortic valve |
| 33420 ..... | C | Revision of mitral valve |
| 33422 ..... | C | Revision of mitral valve |
| 33425 ..... | C | Repair of mitral valve |
| 33426 ..... | C | Repair of mitral valve |
| 33427 ..... | C | Repair of mitral valve |
| 33430 ..... | C | Replacement of mitral valve |
| 33460 ..... | C | Revision of tricuspid valve |
| 33463 ..... | C | Valvuloplasty, tricuspid |
| 33464 ..... | C | Valvuloplasty, tricuspid |
| 33465 ..... | C | Replace tricuspid valve |
| 33468 ..... | C | Revision of tricuspid valve |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 33470 ..... | C | Revision of pulmonary valve |
| 33471 ..... | C | Valvotomy, pulmonary valve |
| 33472 ..... | C | Revision of pulmonary valve |
| 33474 ..... | C | Revision of pulmonary valve |
| 33475 ..... | C | Replacement, pulmonary valve |
| 33476 ..... | C | Revision of heart chamber |
| 33478 ..... | C | Revision of heart chamber |
| 33496 ..... | C | Repair, prosth valve clot |
| 33500 ..... | C | Repair heart vessel fistula |
| 33501 ..... | C | Repair heart vessel fistula |
| 33502 ..... | C | Coronary artery correction |
| 33503 ..... | C | Coronary artery graft |
| 33504 ..... | C | Coronary artery graft |
| 33505 ..... | C | Repair artery w/tunnel |
| 33506 ..... | C | Repair artery, translocation |
| 33510 ..... | C | CABG, vein, single |
| 33511 ..... | C | CABG, vein, two |
| 33512 ..... | C | CABG, vein, three |
| 33513 ..... | C | CABG, vein, four |
| 33514 ..... | C | CABG, vein, five |
| 33516 ..... | C | Cabg, vein, six or more |
| 33517 ..... | C | CABG, artery-vein, single |
| 33518 ..... | C | CABG, artery-vein, two |
| 33519 ..... | C | CABG, artery-vein, three |
| 33521 ..... | C | CABG, artery-vein, four |
| 33522 ..... | C | CABG, artery-vein, five |
| 33523 ..... | C | Cabg, art-vein, six or more |
| 33530 ..... | C | Coronary artery, bypass/reop |
| 33533 ..... | C | CABG, arterial, single |
| 33534 ..... | C | CABG, arterial, two |
| 33535 ..... | C | CABG, arterial, three |
| 33536 ..... | C | Cabg, arterial, four or more |
| 33542 ..... | C | Removal of heart lesion |
| 33545 ..... | C | Repair of heart damage |
| 33572 ..... | C | Open coronary endarterectomy |
| 33600 ..... | C | Closure of valve |
| 33602 ..... | C | Closure of valve |
| 33606 ..... | C | Anastomosis/artery-aorta |
| 33608 ..... | C | Repair anomaly w/conduit |
| 33610 ..... | C | Repair by enlargement |
| 33611 ..... | C | Repair double ventricle |
| 33612 ..... | C | Repair double ventricle |
| 33615 ..... | C | Repair, modified fontan |
| 33617 ..... | C | Repair single ventricle |
| 33619 ..... | C | Repair single ventricle |
| 33641 ..... | C | Repair heart septum defect |
| 33645 ..... | C | Revision of heart veins |
| 33647 ..... | C | Repair heart septum defects |
| 33660 ..... | C | Repair of heart defects |
| 33665 ..... | C | Repair of heart defects |
| 33670 ..... | C | Repair of heart chambers |
| 33681 ..... | C | Repair heart septum defect |
| 33684 ..... | C | Repair heart septum defect |
| 33688 ..... | C | Repair heart septum defect |
| 33690 ..... | C | Reinforce pulmonary artery |
| 33692 ..... | C | Repair of heart defects |
| 33694 ..... | C | Repair of heart defects |
| 33697 ..... | C | Repair of heart defects |
| 33702 ..... | C | Repair of heart defects |
| 33710 ..... | C | Repair of heart defects |
| 33720 ..... | C | Repair of heart defect |
| 33722 ..... | C | Repair of heart defect |
| 33730 ..... | C | Repair heart-vein defect(s) |
| 33732 ..... | C | Repair heart-vein defect |
| 33735 ..... | C | Revision of heart chamber |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 33736 ..... | C | Revision of heart chamber |
| 33737 ..... | C | Revision of heart chamber |
| 33750 ..... | C | Major vessel shunt |
| 33755 ..... | C | Major vessel shunt |
| 33762 ..... | C | Major vessel shunt |
| 33764 ..... | C | Major vessel shunt & graft |
| 33766 ..... | C | Major vessel shunt |
| 33767 ..... | C | Major vessel shunt |
| 33770 ..... | C | Repair great vessels defect |
| 33771 ..... | C | Repair great vessels defect |
| 33774 ..... | C | Repair great vessels defect |
| 33775 ..... | C | Repair great vessels defect |
| 33776 ..... | C | Repair great vessels defect |
| 33777 ..... | C | Repair great vessels defect |
| 33778 ..... | C | Repair great vessels defect |
| 33779 ..... | C | Repair great vessels defect |
| 33780 ..... | C | Repair great vessels defect |
| 33781 ..... | C | Repair great vessels defect |
| 33786 ..... | C | Repair arterial trunk |
| 33788 ..... | C | Revision of pulmonary artery |
| 33800 ..... | C | Aortic suspension |
| 33802 ..... | C | Repair vessel defect |
| 33803 ..... | C | Repair vessel defect |
| 33813 ..... | C | Repair septal defect |
| 33814 ..... | C | Repair septal defect |
| 33820 ..... | C | Revise major vessel |
| 33822 ..... | C | Revise major vessel |
| 33824 ..... | C | Revise major vessel |
| 33840 ..... | C | Remove aorta constriction |
| 33845 ..... | C | Remove aorta constriction |
| 33851 ..... | C | Remove aorta constriction |
| 33852 ..... | C | Repair septal defect |
| 33853 ..... | C | Repair septal defect |
| 33860 ..... | C | Ascending aortic graft |
| 33861 ..... | C | Ascending aortic graft |
| 33863 ..... | C | Ascending aortic graft |
| 33870 ..... | C | Transverse aortic arch graft |
| 33875 ..... | C | Thoracic aortic graft |
| 33877 ..... | C | Thoracoabdominal graft |
| 33910 ..... | C | Remove lung artery emboli |
| 33915 ..... | C | Remove lung artery emboli |
| 33916 ..... | C | Surgery of great vessel |
| 33917 ..... | C | Repair pulmonary artery |
| 33918 ..... | C | Repair pulmonary atresia |
| 33919 ..... | C | Repair pulmonary atresia |
| 33920 ..... | C | Repair pulmonary atresia |
| 33922 ..... | C | Transect pulmonary artery |
| 33924 ..... | C | Remove pulmonary shunt |
| 33930 ..... | C | Removal of donor heart/lung |
| 33935 ..... | C | Transplantation, heart/lung |
| 33940 ..... | C | Removal of donor heart |
| 33945 ..... | C | Transplantation of heart |
| 33960 ..... | C | External circulation assist |
| 33961 ..... | C | External circulation assist |
| 33967 ..... | C | Insert ia percut device |
| 33968 ..... | C | Remove aortic assist device |
| 33970 ..... | C | Aortic circulation assist |
| 33971 ..... | C | Aortic circulation assist |
| 33973 ..... | C | Insert balloon device |
| 33974 ..... | C | Remove intra-aortic balloon |
| 33975 ..... | C | Implant ventricular device |
| 33976 ..... | C | Implant ventricular device |
| 33977 ..... | C | Remove ventricular device |
| 33978 ..... | C | Remove ventricular device |
| 33979 ..... | C | Insert intracorporeal device |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

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| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 33980 ..... | C | Remove intracorporeal device |
| 34001 ..... | C | Removal of artery clot |
| 34051 ..... | C | Removal of artery clot |
| 34151 ..... | C | Removal of artery clot |
| 34401 ..... | C | Removal of vein clot |
| 34451 ..... | C | Removal of vein clot |
| 34502 ..... | C | Reconstruct vena cava |
| 34800 ..... | C | Endovasc abdo repair w/tube |
| 34802 ..... | C | Endovasc abdo repr w/device |
| 34804 ..... | C | Endovasc abdo repr w/device |
| 34808 ..... | C | Endovasc abdo occlud device |
| 34812 ..... | C | Xpose for endoprosth, aortic |
| 34813 ..... | C | Xpose for endoprosth, femorl |
| 34820 ..... | C | Xpose for endoprosth, iliac |
| 34825 ..... | C | Endovasc extend prosth, init |
| 34826 ..... | C | Endovasc exten prosth, addl |
| 34830 ..... | C | Open aortic tube prosth repr |
| 34831 ..... | C | Open aortoiliac prosth repr |
| 34832 ..... | C | Open aortofemor prosth repr |
| 35001 ..... | C | Repair defect of artery |
| 35002 ..... | C | Repair artery rupture, neck |
| 35005 ..... | C | Repair defect of artery |
| 35013 ..... | C | Repair artery rupture, arm |
| 35021 ..... | C | Repair defect of artery |
| 35022 ..... | C | Repair artery rupture, chest |
| 35045 ..... | C | Repair defect of arm artery |
| 35081 ..... | C | Repair defect of artery |
| 35082 ..... | C | Repair artery rupture, aorta |
| 35091 ..... | C | Repair defect of artery |
| 35092 ..... | C | Repair artery rupture, aorta |
| 35102 ..... | C | Repair defect of artery |
| 35103 ..... | C | Repair artery rupture, groin |
| 35111 ..... | C | Repair defect of artery |
| 35112 ..... | C | Repair artery rupture,spleen |
| 35121 ..... | C | Repair defect of artery |
| 35122 ..... | C | Repair artery rupture, belly |
| 35131 ..... | C | Repair defect of artery |
| 35132 ..... | C | Repair artery rupture, groin |
| 35141 ..... | C | Repair defect of artery |
| 35142 ..... | C | Repair artery rupture, thigh |
| 35151 ..... | C | Repair defect of artery |
| 35152 ..... | C | Repair artery rupture, knee |
| 35161 ..... | C | Repair defect of artery |
| 35162 ..... | C | Repair artery rupture |
| 35182 ..... | C | Repair blood vessel lesion |
| 35189 ..... | C | Repair blood vessel lesion |
| 35211 ..... | C | Repair blood vessel lesion |
| 35216 ..... | C | Repair blood vessel lesion |
| 35221 ..... | C | Repair blood vessel lesion |
| 35241 ..... | C | Repair blood vessel lesion |
| 35246 ..... | C | Repair blood vessel lesion |
| 35251 ..... | C | Repair blood vessel lesion |
| 35271 ..... | C | Repair blood vessel lesion |
| 35276 ..... | C | Repair blood vessel lesion |
| 35281 ..... | C | Repair blood vessel lesion |
| 35301 ..... | C | Rechanneling of artery |
| 35311 ..... | C | Rechanneling of artery |
| 35331 ..... | C | Rechanneling of artery |
| 35341 ..... | C | Rechanneling of artery |
| 35351 ..... | C | Rechanneling of artery |
| 35355 ..... | C | Rechanneling of artery |
| 35361 ..... | C | Rechanneling of artery |
| 35363 ..... | C | Rechanneling of artery |
| 35371 ..... | C | Rechanneling of artery |
| 35372 ..... | C | Rechanneling of artery |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

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| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 35381 ..... | C | Rechanneling of artery |
| 35390 ..... | C | Reoperation, carotid add-on |
| 35400 ..... | C | Angioscopy |
| 35450 ..... | C | Repair arterial blockage |
| 35452 ..... | C | Repair arterial blockage |
| 35454 ..... | C | Repair arterial blockage |
| 35456 ..... | C | Repair arterial blockage |
| 35480 ..... | C | Atherectomy, open |
| 35481 ..... | C | Atherectomy, open |
| 35482 ..... | C | Atherectomy, open |
| 35483 ..... | C | Atherectomy, open |
| 35501 ..... | C | Artery bypass graft |
| 35506 ..... | C | Artery bypass graft |
| 35507 ..... | C | Artery bypass graft |
| 35508 ..... | C | Artery bypass graft |
| 35509 ..... | C | Artery bypass graft |
| 35511 ..... | C | Artery bypass graft |
| 35515 ..... | C | Artery bypass graft |
| 35516 ..... | C | Artery bypass graft |
| 35518 ..... | C | Artery bypass graft |
| 35521 ..... | C | Artery bypass graft |
| 35526 ..... | C | Artery bypass graft |
| 35531 ..... | C | Artery bypass graft |
| 35533 ..... | C | Artery bypass graft |
| 35536 ..... | C | Artery bypass graft |
| 35541 ..... | C | Artery bypass graft |
| 35546 ..... | C | Artery bypass graft |
| 35548 ..... | C | Artery bypass graft |
| 35549 ..... | C | Artery bypass graft |
| 35551 ..... | C | Artery bypass graft |
| 35556 ..... | C | Artery bypass graft |
| 35558 ..... | C | Artery bypass graft |
| 35560 ..... | C | Artery bypass graft |
| 35563 ..... | C | Artery bypass graft |
| 35565 ..... | C | Artery bypass graft |
| 35566 ..... | C | Artery bypass graft |
| 35571 ..... | C | Artery bypass graft |
| 35582 ..... | C | Vein bypass graft |
| 35583 ..... | C | Vein bypass graft |
| 35585 ..... | C | Vein bypass graft |
| 35587 ..... | C | Vein bypass graft |
| 35600 ..... | C | Harvest artery for cabg |
| 35601 ..... | C | Artery bypass graft |
| 35606 ..... | C | Artery bypass graft |
| 35612 ..... | C | Artery bypass graft |
| 35616 ..... | C | Artery bypass graft |
| 35621 ..... | C | Artery bypass graft |
| 35623 ..... | C | Bypass graft, not vein |
| 35626 ..... | C | Artery bypass graft |
| 35631 ..... | C | Artery bypass graft |
| 35636 ..... | C | Artery bypass graft |
| 35641 ..... | C | Artery bypass graft |
| 35642 ..... | C | Artery bypass graft |
| 35645 ..... | C | Artery bypass graft |
| 35646 ..... | C | Artery bypass graft |
| 35647 ..... | C | Artery bypass graft |
| 35650 ..... | C | Artery bypass graft |
| 35651 ..... | C | Artery bypass graft |
| 35654 ..... | C | Artery bypass graft |
| 35656 ..... | C | Artery bypass graft |
| 35661 ..... | C | Artery bypass graft |
| 35663 ..... | C | Artery bypass graft |
| 35665 ..... | C | Artery bypass graft |
| 35666 ..... | C | Artery bypass graft |
| 35671 ..... | C | Artery bypass graft |

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| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 35681 ..... | C | Composite bypass graft |
| 35682 ..... | C | Composite bypass graft |
| 35683 ..... | C | Composite bypass graft |
| 35691 ..... | C | Arterial transposition |
| 35693 ..... | C | Arterial transposition |
| 35694 ..... | C | Arterial transposition |
| 35695 ..... | C | Arterial transposition |
| 35700 ..... | C | Reoperation, bypass graft |
| 35701 ..... | C | Exploration, carotid artery |
| 35721 ..... | C | Exploration, femoral artery |
| 35741 ..... | C | Exploration popliteal artery |
| 35800 ..... | C | Explore neck vessels |
| 35820 ..... | C | Explore chest vessels |
| 35840 ..... | C | Explore abdominal vessels |
| 35870 ..... | C | Repair vessel graft defect |
| 35901 ..... | C | Excision, graft, neck |
| 35905 ..... | C | Excision, graft, thorax |
| 35907 ..... | C | Excision, graft, abdomen |
| 36510 ..... | C | Insertion of catheter, vein |
| 36660 ..... | C | Insertion catheter, artery |
| 36822 ..... | C | Insertion of cannula(s) |
| 36823 ..... | C | Insertion of cannula(s) |
| 37140 ..... | C | Revision of circulation |
| 37145 ..... | C | Revision of circulation |
| 37160 ..... | C | Revision of circulation |
| 37180 ..... | C | Revision of circulation |
| 37181 ..... | C | Splice spleen/kidney veins |
| 37195 ..... | C | Thrombolytic therapy, stroke |
| 37616 ..... | C | Ligation of chest artery |
| 37617 ..... | C | Ligation of abdomen artery |
| 37618 ..... | C | Ligation of extremity artery |
| 37660 ..... | C | Revision of major vein |
| 37788 ..... | C | Revascularization, penis |
| 38100 ..... | C | Removal of spleen, total |
| 38101 ..... | C | Removal of spleen, partial |
| 38102 ..... | C | Removal of spleen, total |
| 38115 ..... | C | Repair of ruptured spleen |
| 38380 ..... | C | Thoracic duct procedure |
| 38381 ..... | C | Thoracic duct procedure |
| 38382 ..... | C | Thoracic duct procedure |
| 38562 ..... | C | Removal, pelvic lymph nodes |
| 38564 ..... | C | Removal, abdomen lymph nodes |
| 38724 ..... | C | Removal of lymph nodes, neck |
| 38746 ..... | C | Remove thoracic lymph nodes |
| 38747 ..... | C | Remove abdominal lymph nodes |
| 38765 ..... | C | Remove groin lymph nodes |
| 38770 ..... | C | Remove pelvis lymph nodes |
| 38780 ..... | C | Remove abdomen lymph nodes |
| 39000 ..... | C | Exploration of chest |
| 39010 ..... | C | Exploration of chest |
| 39200 ..... | C | Removal chest lesion |
| 39220 ..... | C | Removal chest lesion |
| 39499 ..... | C | Chest procedure |
| 39501 ..... | C | Repair diaphragm laceration |
| 39502 ..... | C | Repair paraesophageal hernia |
| 39503 ..... | C | Repair of diaphragm hernia |
| 39520 ..... | C | Repair of diaphragm hernia |
| 39530 ..... | C | Repair of diaphragm hernia |
| 39531 ..... | C | Repair of diaphragm hernia |
| 39540 ..... | C | Repair of diaphragm hernia |
| 39541 ..... | C | Repair of diaphragm hernia |
| 39545 ..... | C | Revision of diaphragm |
| 39560 ..... | C | Resect diaphragm, simple |
| 39561 ..... | C | Resect diaphragm, complex |
| 39599 ..... | C | Diaphragm surgery procedure |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 41130 ..... | C | Partial removal of tongue |
| 41135 ..... | C | Tongue and neck surgery |
| 41140 ..... | C | Removal of tongue |
| 41145 ..... | C | Tongue removal, neck surgery |
| 41150 ..... | C | Tongue, mouth, jaw surgery |
| 41153 ..... | C | Tongue, mouth, neck surgery |
| 41155 ..... | C | Tongue, jaw, & neck surgery |
| 42426 ..... | C | Excise parotid gland/lesion |
| 42845 ..... | C | Extensive surgery of throat |
| 42894 ..... | C | Revision of pharyngeal walls |
| 42953 ..... | C | Repair throat, esophagus |
| 42961 ..... | C | Control throat bleeding |
| 42971 ..... | C | Control nose/throat bleeding |
| 43045 ..... | C | Incision of esophagus |
| 43100 ..... | C | Excision of esophagus lesion |
| 43101 ..... | C | Excision of esophagus lesion |
| 43107 ..... | C | Removal of esophagus |
| 43108 ..... | C | Removal of esophagus |
| 43112 ..... | C | Removal of esophagus |
| 43113 ..... | C | Removal of esophagus |
| 43116 ..... | C | Partial removal of esophagus |
| 43117 ..... | C | Partial removal of esophagus |
| 43118 ..... | C | Partial removal of esophagus |
| 43121 ..... | C | Partial removal of esophagus |
| 43122 ..... | C | Parital removal of esophagus |
| 43123 ..... | C | Partial removal of esophagus |
| 43124 ..... | C | Removal of esophagus |
| 43135 ..... | C | Removal of esophagus pouch |
| 43300 ..... | C | Repair of esophagus |
| 43305 ..... | C | Repair esophagus and fistula |
| 43310 ..... | C | Repair of esophagus |
| 43312 ..... | C | Repair esophagus and fistula |
| 43313 ..... | C | Esophagoplasty congential |
| 43314 ..... | C | Tracheo-esophagoplasty cong |
| 43320 ..... | C | Fuse esophagus & stomach |
| 43324 ..... | C | Revise esophagus & stomach |
| 43325 ..... | C | Revise esophagus & stomach |
| 43326 ..... | C | Revise esophagus & stomach |
| 43330 ..... | C | Repair of esophagus |
| 43331 ..... | C | Repair of esophagus |
| 43340 ..... | C | Fuse esophagus & intestine |
| 43341 ..... | C | Fuse esophagus & intestine |
| 43350 ..... | C | Surgical opening, esophagus |
| 43351 ..... | C | Surgical opening, esophagus |
| 43352 ..... | C | Surgical opening, esophagus |
| 43360 ..... | C | Gastrointestinal repair |
| 43361 ..... | C | Gastrointestinal repair |
| 43400 ..... | C | Ligate esophagus veins |
| 43401 ..... | C | Esophagus surgery for veins |
| 43405 ..... | C | Ligate/staple esophagus |
| 43410 ..... | C | Repair esophagus wound |
| 43415 ..... | C | Repair esophagus wound |
| 43420 ..... | C | Repair esophagus opening |
| 43425 ..... | C | Repair esophagus opening |
| 43460 ..... | C | Pressure treatment esophagus |
| 43496 ..... | C | Free jejunum flap, microvasc |
| 43500 ..... | C | Surgical opening of stomach |
| 43501 ..... | C | Surgical repair of stomach |
| 43502 ..... | C | Surgical repair of stomach |
| 43510 ..... | C | Surgical opening of stomach |
| 43520 ..... | C | Incision of pyloric muscle |
| 43605 ..... | C | Biopsy of stomach |
| 43610 ..... | C | Excision of stomach lesion |
| 43611 ..... | C | Excision of stomach lesion |
| 43620 ..... | C | Removal of stomach |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 43621 ..... | C | Removal of stomach |
| 43622 ..... | C | Removal of stomach |
| 43631 ..... | C | Removal of stomach, partial |
| 43632 ..... | C | Removal of stomach, partial |
| 43633 ..... | C | Removal of stomach, partial |
| 43634 ..... | C | Removal of stomach, partial |
| 43635 ..... | C | Removal of stomach, partial |
| 43638 ..... | C | Removal of stomach, partial |
| 43639 ..... | C | Removal of stomach, partial |
| 43640 ..... | C | Vagotomy & pylorus repair |
| 43641 ..... | C | Vagotomy & pylorus repair |
| 43800 ..... | C | Reconstruction of pylorus |
| 43810 ..... | C | Fusion of stomach and bowel |
| 43820 ..... | C | Fusion of stomach and bowel |
| 43825 ..... | C | Fusion of stomach and bowel |
| 43832 ..... | C | Place gastrostomy tube |
| 43840 ..... | C | Repair of stomach lesion |
| 43842 ..... | C | Gastroplasty for obesity |
| 43843 ..... | C | Gastroplasty for obesity |
| 43846 ..... | C | Gastric bypass for obesity |
| 43847 ..... | C | Gastric bypass for obesity |
| 43848 ..... | C | Revision gastroplasty |
| 43850 ..... | C | Revise stomach-bowel fusion |
| 43855 ..... | C | Revise stomach-bowel fusion |
| 43860 ..... | C | Revise stomach-bowel fusion |
| 43865 ..... | C | Revise stomach-bowel fusion |
| 43880 ..... | C | Repair stomach-bowel fistula |
| 44005 ..... | C | Freeing of bowel adhesion |
| 44010 ..... | C | Incision of small bowel |
| 44015 ..... | C | Insert needle cath bowel |
| 44020 ..... | C | Explore small intestine |
| 44021 ..... | C | Decompress small bowel |
| 44025 ..... | C | Incision of large bowel |
| 44050 ..... | C | Reduce bowel obstruction |
| 44055 ..... | C | Correct malrotation of bowel |
| 44110 ..... | C | Excise intestine lesion(s) |
| 44111 ..... | C | Excision of bowel lesion(s) |
| 44120 ..... | C | Removal of small intestine |
| 44121 ..... | C | Removal of small intestine |
| 44125 ..... | C | Removal of small intestine |
| 44126 ..... | C | Enterectomy w/taper, cong |
| 44127 ..... | C | Enterectomy w/o taper, cong |
| 44128 ..... | C | Enterectomy cong, add-on |
| 44130 ..... | C | Bowel to bowel fusion |
| 44132 ..... | C | Enterectomy, cadaver donor |
| 44133 ..... | C | Enterectomy, live donor |
| 44135 ..... | C | Intestine transplnt, cadaver |
| 44136 ..... | C | Intestine transplant, live |
| 44139 ..... | C | Mobilization of colon |
| 44140 ..... | C | Partial removal of colon |
| 44141 ..... | C | Partial removal of colon |
| 44143 ..... | C | Partial removal of colon |
| 44144 ..... | C | Partial removal of colon |
| 44145 ..... | C | Partial removal of colon |
| 44146 ..... | C | Partial removal of colon |
| 44147 ..... | C | Partial removal of colon |
| 44150 ..... | C | Removal of colon |
| 44151 ..... | C | Removal of colon/ileostomy |
| 44152 ..... | C | Removal of colon/ileostomy |
| 44153 ..... | C | Removal of colon/ileostomy |
| 44155 ..... | C | Removal of colon/ileostomy |
| 44156 ..... | C | Removal of colon/ileostomy |
| 44160 ..... | C | Removal of colon |
| 44202 ..... | C | Lap resect s/intestine singl |
| 44203 ..... | C | Lap resect s/intestine, addl |

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[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 44204 ..... | C | Laparo partial colectomy |
| 44205 ..... | C | Lap colectomy part w/ileum |
| 44300 ..... | C | Open bowel to skin |
| 44310 ..... | C | Ileostomy/jejunostomy |
| 44314 ..... | C | Revision of ileostomy |
| 44316 ..... | C | Devise bowel pouch |
| 44320 ..... | C | Colostomy |
| 44322 ..... | C | Colostomy with biopsies |
| 44345 ..... | C | Revision of colostomy |
| 44346 ..... | C | Revision of colostomy |
| 44602 ..... | C | Suture, small intestine |
| 44603 ..... | C | Suture, small intestine |
| 44604 ..... | C | Suture, large intestine |
| 44605 ..... | C | Repair of bowel lesion |
| 44615 ..... | C | Intestinal stricturoplasty |
| 44620 ..... | C | Repair bowel opening |
| 44625 ..... | C | Repair bowel opening |
| 44626 ..... | C | Repair bowel opening |
| 44640 ..... | C | Repair bowel-skin fistula |
| 44650 ..... | C | Repair bowel fistula |
| 44660 ..... | C | Repair bowel-bladder fistula |
| 44661 ..... | C | Repair bowel-bladder fistula |
| 44680 ..... | C | Surgical revision, intestine |
| 44700 ..... | C | Suspend bowel w/prosthesis |
| 44800 ..... | C | Excision of bowel pouch |
| 44820 ..... | C | Excision of mesentery lesion |
| 44850 ..... | C | Repair of mesentery |
| 44899 ..... | C | Bowel surgery procedure |
| 44900 ..... | C | Drain app abscess, open |
| 44901 ..... | C | Drain app abscess, percut |
| 44950 ..... | C | Appendectomy |
| 44955 ..... | C | Appendectomy add-on |
| 44960 ..... | C | Appendectomy |
| 45110 ..... | C | Removal of rectum |
| 45111 ..... | C | Partial removal of rectum |
| 45112 ..... | C | Removal of rectum |
| 45113 ..... | C | Partial proctectomy |
| 45114 ..... | C | Partial removal of rectum |
| 45116 ..... | C | Partial removal of rectum |
| 45119 ..... | C | Remove rectum w/reservoir |
| 45120 ..... | C | Removal of rectum |
| 45121 ..... | C | Removal of rectum and colon |
| 45123 ..... | C | Partial proctectomy |
| 45126 ..... | C | Pelvic exenteration |
| 45130 ..... | C | Excision of rectal prolapse |
| 45135 ..... | C | Excision of rectal prolapse |
| 45136 ..... | C | Excise ileoanal reservoir |
| 45540 ..... | C | Correct rectal prolapse |
| 45541 ..... | C | Correct rectal prolapse |
| 45550 ..... | C | Repair rectum/remove sigmoid |
| 45562 ..... | C | Exploration/repair of rectum |
| 45563 ..... | C | Exploration/repair of rectum |
| 45800 ..... | C | Repair rect/bladder fistula |
| 45805 ..... | C | Repair fistula w/colostomy |
| 45820 ..... | C | Repair rectourethral fistula |
| 45825 ..... | C | Repair fistula w/colostomy |
| 46705 ..... | C | Repair of anal stricture |
| 46715 ..... | C | Repair of anovaginal fistula |
| 46716 ..... | C | Repair of anovaginal fistula |
| 46730 ..... | C | Construction of absent anus |
| 46735 ..... | C | Construction of absent anus |
| 46740 ..... | C | Construction of absent anus |
| 46742 ..... | C | Repair of imperforated anus |
| 46744 ..... | C | Repair of cloacal anomaly |
| 46746 ..... | C | Repair of cloacal anomaly |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

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| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 46748 ..... | C | Repair of cloacal anomaly |
| 46751 ..... | C | Repair of anal sphincter |
| 47010 ..... | C | Open drainage, liver lesion |
| 47015 ..... | C | Inject/aspirate liver cyst |
| 47100 ..... | C | Wedge biopsy of liver |
| 47120 ..... | C | Partial removal of liver |
| 47122 ..... | C | Extensive removal of liver |
| 47125 ..... | C | Partial removal of liver |
| 47130 ..... | C | Partial removal of liver |
| 47133 ..... | C | Removal of donor liver |
| 47134 ..... | C | Partial removal, donor liver |
| 47135 ..... | C | Transplantation of liver |
| 47136 ..... | C | Transplantation of liver |
| 47300 ..... | C | Surgery for liver lesion |
| 47350 ..... | C | Repair liver wound |
| 47360 ..... | C | Repair liver wound |
| 47361 ..... | C | Repair liver wound |
| 47362 ..... | C | Repair liver wound |
| 47380 ..... | C | Open ablate liver tumor rf |
| 47381 ..... | C | Open ablate liver tumor cryo |
| 47400 ..... | C | Incision of liver duct |
| 47420 ..... | C | Incision of bile duct |
| 47425 ..... | C | Incision of bile duct |
| 47460 ..... | C | Incise bile duct sphincter |
| 47480 ..... | C | Incision of gallbladder |
| 47550 ..... | C | Bile duct endoscopy add-on |
| 47570 ..... | C | Laparo cholecystoenterostomy |
| 47600 ..... | C | Removal of gallbladder |
| 47605 ..... | C | Removal of gallbladder |
| 47610 ..... | C | Removal of gallbladder |
| 47612 ..... | C | Removal of gallbladder |
| 47620 ..... | C | Removal of gallbladder |
| 47700 ..... | C | Exploration of bile ducts |
| 47701 ..... | C | Bile duct revision |
| 47711 ..... | C | Excision of bile duct tumor |
| 47712 ..... | C | Excision of bile duct tumor |
| 47715 ..... | C | Excision of bile duct cyst |
| 47716 ..... | C | Fusion of bile duct cyst |
| 47720 ..... | C | Fuse gallbladder & bowel |
| 47721 ..... | C | Fuse upper gi structures |
| 47740 ..... | C | Fuse gallbladder & bowel |
| 47741 ..... | C | Fuse gallbladder & bowel |
| 47760 ..... | C | Fuse bile ducts and bowel |
| 47765 ..... | C | Fuse liver ducts & bowel |
| 47780 ..... | C | Fuse bile ducts and bowel |
| 47785 ..... | C | Fuse bile ducts and bowel |
| 47800 ..... | C | Reconstruction of bile ducts |
| 47801 ..... | C | Placement, bile duct support |
| 47802 ..... | C | Fuse liver duct & intestine |
| 47900 ..... | C | Suture bile duct injury |
| 48000 ..... | C | Drainage of abdomen |
| 48001 ..... | C | Placement of drain, pancreas |
| 48005 ..... | C | Resect/debride pancreas |
| 48020 ..... | C | Removal of pancreatic stone |
| 48100 ..... | C | Biopsy of pancreas, open |
| 48120 ..... | C | Removal of pancreas lesion |
| 48140 ..... | C | Partial removal of pancreas |
| 48145 ..... | C | Partial removal of pancreas |
| 48146 ..... | C | Pancreatectomy |
| 48148 ..... | C | Removal of pancreatic duct |
| 48150 ..... | C | Partial removal of pancreas |
| 48152 ..... | C | Pancreatectomy |
| 48153 ..... | C | Pancreatectomy |
| 48154 ..... | C | Pancreatectomy |
| 48155 ..... | C | Removal of pancreas |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

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| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 48180 ..... | C | Fuse pancreas and bowel |
| 48400 ..... | C | Injection, intraop add-on |
| 48500 ..... | C | Surgery of pancreatic cyst |
| 48510 ..... | C | Drain pancreatic pseudocyst |
| 48520 ..... | C | Fuse pancreas cyst and bowel |
| 48540 ..... | C | Fuse pancreas cyst and bowel |
| 48545 ..... | C | Pancreatorrhaphy |
| 48547 ..... | C | Duodenal exclusion |
| 48556 ..... | C | Removal, allograft pancreas |
| 49000 ..... | C | Exploration of abdomen |
| 49002 ..... | C | Reopening of abdomen |
| 49010 ..... | C | Exploration behind abdomen |
| 49020 ..... | C | Drain abdominal abscess |
| 49021 ..... | C | Drain abdominal abscess |
| 49040 ..... | C | Drain, open, abdom abscess |
| 49041 ..... | C | Drain, percut, abdom abscess |
| 49060 ..... | C | Drain, open, retrop abscess |
| 49061 ..... | C | Drain, percut, retroper absc |
| 49062 ..... | C | Drain to peritoneal cavity |
| 49201 ..... | C | Removal of abdominal lesion |
| 49215 ..... | C | Excise sacral spine tumor |
| 49220 ..... | C | Multiple surgery, abdomen |
| 49255 ..... | C | Removal of omentum |
| 49425 ..... | C | Insert abdomen-venous drain |
| 49428 ..... | C | Ligation of shunt |
| 49605 ..... | C | Repair umbilical lesion |
| 49606 ..... | C | Repair umbilical lesion |
| 49610 ..... | C | Repair umbilical lesion |
| 49611 ..... | C | Repair umbilical lesion |
| 49900 ..... | C | Repair of abdominal wall |
| 49905 ..... | C | Omental flap |
| 49906 ..... | C | Free omental flap, microvasc |
| 50010 ..... | C | Exploration of kidney |
| 50020 ..... | C | Renal abscess, open drain |
| 50040 ..... | C | Drainage of kidney |
| 50045 ..... | C | Exploration of kidney |
| 50060 ..... | C | Removal of kidney stone |
| 50065 ..... | C | Incision of kidney |
| 50070 ..... | C | Incision of kidney |
| 50075 ..... | C | Removal of kidney stone |
| 50100 ..... | C | Revise kidney blood vessels |
| 50120 ..... | C | Exploration of kidney |
| 50125 ..... | C | Explore and drain kidney |
| 50130 ..... | C | Removal of kidney stone |
| 50135 ..... | C | Exploration of kidney |
| 50205 ..... | C | Biopsy of kidney |
| 50220 ..... | C | Remove kidney, open |
| 50225 ..... | C | Removal kidney open, complex |
| 50230 ..... | C | Removal kidney open, radical |
| 50234 ..... | C | Removal of kidney & ureter |
| 50236 ..... | C | Removal of kidney & ureter |
| 50240 ..... | C | Partial removal of kidney |
| 50280 ..... | C | Removal of kidney lesion |
| 50290 ..... | C | Removal of kidney lesion |
| 50300 ..... | C | Removal of donor kidney |
| 50320 ..... | C | Removal of donor kidney |
| 50340 ..... | C | Removal of kidney |
| 50360 ..... | C | Transplantation of kidney |
| 50365 ..... | C | Transplantation of kidney |
| 50370 ..... | C | Remove transplanted kidney |
| 50380 ..... | C | Reimplantation of kidney |
| 50400 ..... | C | Revision of kidney/ureter |
| 50405 ..... | C | Revision of kidney/ureter |
| 50500 ..... | C | Repair of kidney wound |
| 50520 ..... | C | Close kidney-skin fistula |

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| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 50525 ..... | C | Repair renal-abdomen fistula |
| 50526 ..... | C | Repair renal-abdomen fistula |
| 50540 ..... | C | Revision of horseshoe kidney |
| 50545 ..... | C | Laparo radical nephrectomy |
| 50546 ..... | C | Laparoscopic nephrectomy |
| 50547 ..... | C | Laparo removal donor kidney |
| 50548 ..... | C | Laparo remove k/ureter |
| 50570 ..... | C | Kidney endoscopy |
| 50572 ..... | C | Kidney endoscopy |
| 50574 ..... | C | Kidney endoscopy & biopsy |
| 50575 ..... | C | Kidney endoscopy |
| 50576 ..... | C | Kidney endoscopy & treatment |
| 50578 ..... | C | Renal endoscopy/radiotracer |
| 50580 ..... | C | Kidney endoscopy & treatment |
| 50600 ..... | C | Exploration of ureter |
| 50605 ..... | C | Insert ureteral support |
| 50610 ..... | C | Removal of ureter stone |
| 50620 ..... | C | Removal of ureter stone |
| 50630 ..... | C | Removal of ureter stone |
| 50650 ..... | C | Removal of ureter |
| 50660 ..... | C | Removal of ureter |
| 50700 ..... | C | Revision of ureter |
| 50715 ..... | C | Release of ureter |
| 50722 ..... | C | Release of ureter |
| 50725 ..... | C | Release/revise ureter |
| 50727 ..... | C | Revise ureter |
| 50728 ..... | C | Revise ureter |
| 50740 ..... | C | Fusion of ureter & kidney |
| 50750 ..... | C | Fusion of ureter & kidney |
| 50760 ..... | C | Fusion of ureters |
| 50770 ..... | C | Splicing of ureters |
| 50780 ..... | C | Reimplant ureter in bladder |
| 50782 ..... | C | Reimplant ureter in bladder |
| 50783 ..... | C | Reimplant ureter in bladder |
| 50785 ..... | C | Reimplant ureter in bladder |
| 50800 ..... | C | Implant ureter in bowel |
| 50810 ..... | C | Fusion of ureter & bowel |
| 50815 ..... | C | Urine shunt to intestine |
| 50820 ..... | C | Construct bowel bladder |
| 50825 ..... | C | Construct bowel bladder |
| 50830 ..... | C | Revise urine flow |
| 50840 ..... | C | Replace ureter by bowel |
| 50845 ..... | C | Appendico-vesicostomy |
| 50860 ..... | C | Transplant ureter to skin |
| 50900 ..... | C | Repair of ureter |
| 50920 ..... | C | Closure ureter/skin fistula |
| 50930 ..... | C | Closure ureter/bowel fistula |
| 50940 ..... | C | Release of ureter |
| 51060 ..... | C | Removal of ureter stone |
| 51525 ..... | C | Removal of bladder lesion |
| 51530 ..... | C | Removal of bladder lesion |
| 51535 ..... | C | Repair of ureter lesion |
| 51550 ..... | C | Partial removal of bladder |
| 51555 ..... | C | Partial removal of bladder |
| 51565 ..... | C | Revise bladder & ureter(s) |
| 51570 ..... | C | Removal of bladder |
| 51575 ..... | C | Removal of bladder & nodes |
| 51580 ..... | C | Remove bladder/revise tract |
| 51585 ..... | C | Removal of bladder & nodes |
| 51590 ..... | C | Remove bladder/revise tract |
| 51595 ..... | C | Remove bladder/revise tract |
| 51596 ..... | C | Remove bladder/create pouch |
| 51597 ..... | C | Removal of pelvic structures |
| 51800 ..... | C | Revision of bladder/urethra |
| 51820 ..... | C | Revision of urinary tract |

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| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 51840 ..... | C | Attach bladder/urethra |
| 51841 ..... | C | Attach bladder/urethra |
| 51845 ..... | C | Repair bladder neck |
| 51860 ..... | C | Repair of bladder wound |
| 51865 ..... | C | Repair of bladder wound |
| 51900 ..... | C | Repair bladder/vagina lesion |
| 51920 ..... | C | Close bladder-uterus fistula |
| 51925 ..... | C | Hysterectomy/bladder repair |
| 51940 ..... | C | Correction of bladder defect |
| 51960 ..... | C | Revision of bladder & bowel |
| 51980 ..... | C | Construct bladder opening |
| 53085 ..... | C | Drainage of urinary leakage |
| 53415 ..... | C | Reconstruction of urethra |
| 53448 ..... | C | Remov/replc ur sphinctr comp |
| 54125 ..... | C | Removal of penis |
| 54130 ..... | C | Remove penis & nodes |
| 54135 ..... | C | Remove penis & nodes |
| 54332 ..... | C | Revise penis/urethra |
| 54336 ..... | C | Revise penis/urethra |
| 54390 ..... | C | Repair penis and bladder |
| 54411 ..... | C | Remv/replc penis pros, comp |
| 54417 ..... | C | Remv/replc penis pros, compl |
| 54430 ..... | C | Revision of penis |
| 54535 ..... | C | Extensive testis surgery |
| 54560 ..... | C | Exploration for testis |
| 54650 ..... | C | Orchiopexy (Fowler-Stephens) |
| 55600 ..... | C | Incise sperm duct pouch |
| 55605 ..... | C | Incise sperm duct pouch |
| 55650 ..... | C | Remove sperm duct pouch |
| 55801 ..... | C | Removal of prostate |
| 55810 ..... | C | Extensive prostate surgery |
| 55812 ..... | C | Extensive prostate surgery |
| 55815 ..... | C | Extensive prostate surgery |
| 55821 ..... | C | Removal of prostate |
| 55831 ..... | C | Removal of prostate |
| 55840 ..... | C | Extensive prostate surgery |
| 55842 ..... | C | Extensive prostate surgery |
| 55845 ..... | C | Extensive prostate surgery |
| 55862 ..... | C | Extensive prostate surgery |
| 55865 ..... | C | Extensive prostate surgery |
| 56630 ..... | C | Extensive vulva surgery |
| 56631 ..... | C | Extensive vulva surgery |
| 56632 ..... | C | Extensive vulva surgery |
| 56633 ..... | C | Extensive vulva surgery |
| 56634 ..... | C | Extensive vulva surgery |
| 56637 ..... | C | Extensive vulva surgery |
| 56640 ..... | C | Extensive vulva surgery |
| 57110 ..... | C | Remove vagina wall, complete |
| 57111 ..... | C | Remove vagina tissue, compl |
| 57112 ..... | C | Vaginectomy w/nodes, compl |
| 57270 ..... | C | Repair of bowel pouch |
| 57280 ..... | C | Suspension of vagina |
| 57282 ..... | C | Repair of vaginal prolapse |
| 57292 ..... | C | Construct vagina with graft |
| 57305 ..... | C | Repair rectum-vagina fistula |
| 57307 ..... | C | Fistula repair & colostomy |
| 57308 ..... | C | Fistula repair, transperine |
| 57311 ..... | C | Repair urethrovaginal lesion |
| 57335 ..... | C | Repair vagina |
| 57531 ..... | C | Removal of cervix, radical |
| 57540 ..... | C | Removal of residual cervix |
| 57545 ..... | C | Remove cervix/repair pelvis |
| 58140 ..... | C | Removal of uterus lesion |
| 58150 ..... | C | Total hysterectomy |
| 58152 ..... | C | Total hysterectomy |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 58180 ..... | C | Partial hysterectomy |
| 58200 ..... | C | Extensive hysterectomy |
| 58210 ..... | C | Extensive hysterectomy |
| 58240 ..... | C | Removal of pelvis contents |
| 58260 ..... | C | Vaginal hysterectomy |
| 58262 ..... | C | Vaginal hysterectomy |
| 58263 ..... | C | Vaginal hysterectomy |
| 58267 ..... | C | Hysterectomy & vagina repair |
| 58270 ..... | C | Hysterectomy & vagina repair |
| 58275 ..... | C | Hysterectomy/revise vagina |
| 58280 ..... | C | Hysterectomy/revise vagina |
| 58285 ..... | C | Extensive hysterectomy |
| 58400 ..... | C | Suspension of uterus |
| 58410 ..... | C | Suspension of uterus |
| 58520 ..... | C | Repair of ruptured uterus |
| 58540 ..... | C | Revision of uterus |
| 58605 ..... | C | Division of fallopian tube |
| 58611 ..... | C | Ligate oviduct(s) add-on |
| 58700 ..... | C | Removal of fallopian tube |
| 58720 ..... | C | Removal of ovary/tube(s) |
| 58740 ..... | C | Revise fallopian tube(s) |
| 58750 ..... | C | Repair oviduct |
| 58752 ..... | C | Revise ovarian tube(s) |
| 58760 ..... | C | Remove tubal obstruction |
| 58770 ..... | C | Create new tubal opening |
| 58805 ..... | C | Drainage of ovarian cyst(s) |
| 58822 ..... | C | Drain ovary abscess, percut |
| 58825 ..... | C | Transposition, ovary(s) |
| 58940 ..... | C | Removal of ovary(s) |
| 58943 ..... | C | Removal of ovary(s) |
| 58950 ..... | C | Resect ovarian malignancy |
| 58951 ..... | C | Resect ovarian malignancy |
| 58952 ..... | C | Resect ovarian malignancy |
| 58953 ..... | C | Tah, rad dissect for debulk |
| 58954 ..... | C | Tah rad debulk/lymph remove |
| 58960 ..... | C | Exploration of abdomen |
| 59100 ..... | C | Remove uterus lesion |
| 59120 ..... | C | Treat ectopic pregnancy |
| 59121 ..... | C | Treat ectopic pregnancy |
| 59130 ..... | C | Treat ectopic pregnancy |
| 59135 ..... | C | Treat ectopic pregnancy |
| 59136 ..... | C | Treat ectopic pregnancy |
| 59140 ..... | C | Treat ectopic pregnancy |
| 59325 ..... | C | Revision of cervix |
| 59350 ..... | C | Repair of uterus |
| 59514 ..... | C | Cesarean delivery only |
| 59525 ..... | C | Remove uterus after cesarean |
| 59620 ..... | C | Attempted vbac delivery only |
| 59830 ..... | C | Treat uterus infection |
| 59850 ..... | C | Abortion |
| 59851 ..... | C | Abortion |
| 59852 ..... | C | Abortion |
| 59855 ..... | C | Abortion |
| 59856 ..... | C | Abortion |
| 59857 ..... | C | Abortion |
| 60254 ..... | C | Extensive thyroid surgery |
| 60270 ..... | C | Removal of thyroid |
| 60271 ..... | C | Removal of thyroid |
| 60502 ..... | C | Re-explore parathyroids |
| 60505 ..... | C | Explore parathyroid glands |
| 60520 ..... | C | Removal of thymus gland |
| 60521 ..... | C | Removal of thymus gland |
| 60522 ..... | C | Removal of thymus gland |
| 60540 ..... | C | Explore adrenal gland |
| 60545 ..... | C | Explore adrenal gland |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 60600 ..... | C | Remove carotid body lesion |
| 60605 ..... | C | Remove carotid body lesion |
| 60650 ..... | C | Laparoscopy adrenalectomy |
| 61105 ..... | C | Twist drill hole |
| 61107 ..... | C | Drill skull for implantation |
| 61108 ..... | C | Drill skull for drainage |
| 61120 ..... | C | Burr hole for puncture |
| 61140 ..... | C | Pierce skull for biopsy |
| 61150 ..... | C | Pierce skull for drainage |
| 61151 ..... | C | Pierce skull for drainage |
| 61154 ..... | C | Pierce skull & remove clot |
| 61156 ..... | C | Pierce skull for drainage |
| 61210 ..... | C | Pierce skull, implant device |
| 61250 ..... | C | Pierce skull & explore |
| 61253 ..... | C | Pierce skull & explore |
| 61304 ..... | C | Open skull for exploration |
| 61305 ..... | C | Open skull for exploration |
| 61312 ..... | C | Open skull for drainage |
| 61313 ..... | C | Open skull for drainage |
| 61314 ..... | C | Open skull for drainage |
| 61315 ..... | C | Open skull for drainage |
| 61320 ..... | C | Open skull for drainage |
| 61321 ..... | C | Open skull for drainage |
| 61332 ..... | C | Explore/biopsy eye socket |
| 61333 ..... | C | Explore orbit/remove lesion |
| 61334 ..... | C | Explore orbit/remove object |
| 61340 ..... | C | Relieve cranial pressure |
| 61343 ..... | C | Incise skull (press relief) |
| 61345 ..... | C | Relieve cranial pressure |
| 61440 ..... | C | Incise skull for surgery |
| 61450 ..... | C | Incise skull for surgery |
| 61458 ..... | C | Incise skull for brain wound |
| 61460 ..... | C | Incise skull for surgery |
| 61470 ..... | C | Incise skull for surgery |
| 61480 ..... | C | Incise skull for surgery |
| 61490 ..... | C | Incise skull for surgery |
| 61500 ..... | C | Removal of skull lesion |
| 61501 ..... | C | Remove infected skull bone |
| 61510 ..... | C | Removal of brain lesion |
| 61512 ..... | C | Remove brain lining lesion |
| 61514 ..... | C | Removal of brain abscess |
| 61516 ..... | C | Removal of brain lesion |
| 61518 ..... | C | Removal of brain lesion |
| 61519 ..... | C | Remove brain lining lesion |
| 61520 ..... | C | Removal of brain lesion |
| 61521 ..... | C | Removal of brain lesion |
| 61522 ..... | C | Removal of brain abscess |
| 61524 ..... | C | Removal of brain lesion |
| 61526 ..... | C | Removal of brain lesion |
| 61530 ..... | C | Removal of brain lesion |
| 61531 ..... | C | Implant brain electrodes |
| 61533 ..... | C | Implant brain electrodes |
| 61534 ..... | C | Removal of brain lesion |
| 61535 ..... | C | Remove brain electrodes |
| 61536 ..... | C | Removal of brain lesion |
| 61538 ..... | C | Removal of brain tissue |
| 61539 ..... | C | Removal of brain tissue |
| 61541 ..... | C | Incision of brain tissue |
| 61542 ..... | C | Removal of brain tissue |
| 61543 ..... | C | Removal of brain tissue |
| 61544 ..... | C | Remove & treat brain lesion |
| 61545 ..... | C | Excision of brain tumor |
| 61546 ..... | C | Removal of pituitary gland |
| 61548 ..... | C | Removal of pituitary gland |
| 61550 ..... | C | Release of skull seams |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 61552 ..... | C | Release of skull seams |
| 61556 ..... | C | Incise skull/sutures |
| 61557 ..... | C | Incise skull/sutures |
| 61558 ..... | C | Excision of skull/sutures |
| 61559 ..... | C | Excision of skull/sutures |
| 61563 ..... | C | Excision of skull tumor |
| 61564 ..... | C | Excision of skull tumor |
| 61570 ..... | C | Remove foreign body, brain |
| 61571 ..... | C | Incise skull for brain wound |
| 61575 ..... | C | Skull base/brainstem surgery |
| 61576 ..... | C | Skull base/brainstem surgery |
| 61580 ..... | C | Craniofacial approach, skull |
| 61581 ..... | C | Craniofacial approach, skull |
| 61582 ..... | C | Craniofacial approach, skull |
| 61583 ..... | C | Craniofacial approach, skull |
| 61584 ..... | C | Orbitocranial approach/skull |
| 61585 ..... | C | Orbitocranial approach/skull |
| 61586 ..... | C | Resect nasopharynx, skull |
| 61590 ..... | C | Infratemporal approach/skull |
| 61591 ..... | C | Infratemporal approach/skull |
| 61592 ..... | C | Orbitocranial approach/skull |
| 61595 ..... | C | Transtemporal approach/skull |
| 61596 ..... | C | Transcochlear approach/skull |
| 61597 ..... | C | Transcondylar approach/skull |
| 61598 ..... | C | Transpetrosal approach/skull |
| 61600 ..... | C | Resect/excise cranial lesion |
| 61601 ..... | C | Resect/excise cranial lesion |
| 61605 ..... | C | Resect/excise cranial lesion |
| 61606 ..... | C | Resect/excise cranial lesion |
| 61607 ..... | C | Resect/excise cranial lesion |
| 61608 ..... | C | Resect/excise cranial lesion |
| 61609 ..... | C | Transect artery, sinus |
| 61610 ..... | C | Transect artery, sinus |
| 61611 ..... | C | Transect artery, sinus |
| 61612 ..... | C | Transect artery, sinus |
| 61613 ..... | C | Remove aneurysm, sinus |
| 61615 ..... | C | Resect/excise lesion, skull |
| 61616 ..... | C | Resect/excise lesion, skull |
| 61618 ..... | C | Repair dura |
| 61619 ..... | C | Repair dura |
| 61624 ..... | C | Occlusion/embolization cath |
| 61680 ..... | C | Intracranial vessel surgery |
| 61682 ..... | C | Intracranial vessel surgery |
| 61684 ..... | C | Intracranial vessel surgery |
| 61686 ..... | C | Intracranial vessel surgery |
| 61690 ..... | C | Intracranial vessel surgery |
| 61692 ..... | C | Intracranial vessel surgery |
| 61697 ..... | C | Brain aneurysm repr, complx |
| 61698 ..... | C | Brain aneurysm repr, complx |
| 61700 ..... | C | Brain aneurysm repr , simple |
| 61702 ..... | C | Inner skull vessel surgery |
| 61703 ..... | C | Clamp neck artery |
| 61705 ..... | C | Revise circulation to head |
| 61708 ..... | C | Revise circulation to head |
| 61710 ..... | C | Revise circulation to head |
| 61711 ..... | C | Fusion of skull arteries |
| 61720 ..... | C | Incise skull/brain surgery |
| 61735 ..... | C | Incise skull/brain surgery |
| 61750 ..... | C | Incise skull/brain biopsy |
| 61751 ..... | C | Brain biopsy w/ ct/mr guide |
| 61760 ..... | C | Implant brain electrodes |
| 61770 ..... | C | Incise skull for treatment |
| 61850 ..... | C | Implant neuroelectrodes |
| 61860 ..... | C | Implant neuroelectrodes |
| 61862 ..... | C | Implant neurostimul, subcort |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 61870 ..... | C | Implant neuroelectrodes |
| 61875 ..... | C | Implant neuroelectrodes |
| 62000 ..... | C | Treat skull fracture |
| 62005 ..... | C | Treat skull fracture |
| 62010 ..... | C | Treatment of head injury |
| 62100 ..... | C | Repair brain fluid leakage |
| 62115 ..... | C | Reduction of skull defect |
| 62116 ..... | C | Reduction of skull defect |
| 62117 ..... | C | Reduction of skull defect |
| 62120 ..... | C | Repair skull cavity lesion |
| 62121 ..... | C | Incise skull repair |
| 62140 ..... | C | Repair of skull defect |
| 62141 ..... | C | Repair of skull defect |
| 62142 ..... | C | Remove skull plate/flap |
| 62143 ..... | C | Replace skull plate/flap |
| 62145 ..... | C | Repair of skull & brain |
| 62146 ..... | C | Repair of skull with graft |
| 62147 ..... | C | Repair of skull with graft |
| 62180 ..... | C | Establish brain cavity shunt |
| 62190 ..... | C | Establish brain cavity shunt |
| 62192 ..... | C | Establish brain cavity shunt |
| 62200 ..... | C | Establish brain cavity shunt |
| 62201 ..... | C | Establish brain cavity shunt |
| 62220 ..... | C | Establish brain cavity shunt |
| 62223 ..... | C | Establish brain cavity shunt |
| 62256 ..... | C | Remove brain cavity shunt |
| 62258 ..... | C | Replace brain cavity shunt |
| 63043 ..... | C | Laminotomy, addl cervical |
| 63044 ..... | C | Laminotomy, addl lumbar |
| 63075 ..... | C | Neck spine disk surgery |
| 63076 ..... | C | Neck spine disk surgery |
| 63077 ..... | C | Spine disk surgery, thorax |
| 63078 ..... | C | Spine disk surgery, thorax |
| 63081 ..... | C | Removal of vertebral body |
| 63082 ..... | C | Remove vertebral body add-on |
| 63085 ..... | C | Removal of vertebral body |
| 63086 ..... | C | Remove vertebral body add-on |
| 63087 ..... | C | Removal of vertebral body |
| 63088 ..... | C | Remove vertebral body add-on |
| 63090 ..... | C | Removal of vertebral body |
| 63091 ..... | C | Remove vertebral body add-on |
| 63170 ..... | C | Incise spinal cord tract(s) |
| 63172 ..... | C | Drainage of spinal cyst |
| 63173 ..... | C | Drainage of spinal cyst |
| 63180 ..... | C | Revise spinal cord ligaments |
| 63182 ..... | C | Revise spinal cord ligaments |
| 63185 ..... | C | Incise spinal column/nerves |
| 63190 ..... | C | Incise spinal column/nerves |
| 63191 ..... | C | Incise spinal column/nerves |
| 63194 ..... | C | Incise spinal column & cord |
| 63195 ..... | C | Incise spinal column & cord |
| 63196 ..... | C | Incise spinal column & cord |
| 63197 ..... | C | Incise spinal column & cord |
| 63198 ..... | C | Incise spinal column & cord |
| 63199 ..... | C | Incise spinal column & cord |
| 63200 ..... | C | Release of spinal cord |
| 63250 ..... | C | Revise spinal cord vessels |
| 63251 ..... | C | Revise spinal cord vessels |
| 63252 ..... | C | Revise spinal cord vessels |
| 63265 ..... | C | Excise intraspinal lesion |
| 63266 ..... | C | Excise intraspinal lesion |
| 63267 ..... | C | Excise intraspinal lesion |
| 63268 ..... | C | Excise intraspinal lesion |
| 63270 ..... | C | Excise intraspinal lesion |
| 63271 ..... | C | Excise intraspinal lesion |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 63272 ..... | C | Excise intraspinal lesion |
| 63273 ..... | C | Excise intraspinal lesion |
| 63275 ..... | C | Biopsy/excise spinal tumor |
| 63276 ..... | C | Biopsy/excise spinal tumor |
| 63277 ..... | C | Biopsy/excise spinal tumor |
| 63278 ..... | C | Biopsy/excise spinal tumor |
| 63280 ..... | C | Biopsy/excise spinal tumor |
| 63281 ..... | C | Biopsy/excise spinal tumor |
| 63282 ..... | C | Biopsy/excise spinal tumor |
| 63283 ..... | C | Biopsy/excise spinal tumor |
| 63285 ..... | C | Biopsy/excise spinal tumor |
| 63286 ..... | C | Biopsy/excise spinal tumor |
| 63287 ..... | C | Biopsy/excise spinal tumor |
| 63290 ..... | C | Biopsy/excise spinal tumor |
| 63300 ..... | C | Removal of vertebral body |
| 63301 ..... | C | Removal of vertebral body |
| 63302 ..... | C | Removal of vertebral body |
| 63303 ..... | C | Removal of vertebral body |
| 63304 ..... | C | Removal of vertebral body |
| 63305 ..... | C | Removal of vertebral body |
| 63306 ..... | C | Removal of vertebral body |
| 63307 ..... | C | Removal of vertebral body |
| 63308 ..... | C | Remove vertebral body add-on |
| 63700 ..... | C | Repair of spinal herniation |
| 63702 ..... | C | Repair of spinal herniation |
| 63704 ..... | C | Repair of spinal herniation |
| 63706 ..... | C | Repair of spinal herniation |
| 63707 ..... | C | Repair spinal fluid leakage |
| 63709 ..... | C | Repair spinal fluid leakage |
| 63710 ..... | C | Graft repair of spine defect |
| 63740 ..... | C | Install spinal shunt |
| 64752 ..... | C | Incision of vagus nerve |
| 64755 ..... | C | Incision of stomach nerves |
| 64760 ..... | C | Incision of vagus nerve |
| 64763 ..... | C | Incise hip/thigh nerve |
| 64766 ..... | C | Incise hip/thigh nerve |
| 64804 ..... | C | Remove sympathetic nerves |
| 64809 ..... | C | Remove sympathetic nerves |
| 64818 ..... | C | Remove sympathetic nerves |
| 64866 ..... | C | Fusion of facial/other nerve |
| 64868 ..... | C | Fusion of facial/other nerve |
| 65273 ..... | C | Repair of eye wound |
| 69155 ..... | C | Extensive ear/neck surgery |
| 69535 ..... | C | Remove part of temporal bone |
| 69554 ..... | C | Remove ear lesion |
| 69950 ..... | C | Incise inner ear nerve |
| 69970 ..... | C | Remove inner ear lesion |
| 75900 ..... | C | Arterial catheter exchange |
| 75952 ..... | C | Endovasc repair abdom aorta |
| 75953 ..... | C | Abdom aneurysm endovas rpr |
| 92970 ..... | C | Cardioassist, internal |
| 92971 ..... | C | Cardioassist, external |
| 92975 ..... | C | Dissolve clot, heart vessel |
| 92992 ..... | C | Revision of heart chamber |
| 92993 ..... | C | Revision of heart chamber |
| 94652 ..... | C | Pressure breathing (IPPB) |
| 99190 ..... | C | Special pump services |
| 99191 ..... | C | Special pump services |
| 99192 ..... | C | Special pump services |
| 99251 ..... | C | Initial inpatient consult |
| 99252 ..... | C | Initial inpatient consult |
| 99253 ..... | C | Initial inpatient consult |
| 99254 ..... | C | Initial inpatient consult |
| 99255 ..... | C | Initial inpatient consult |
| 99261 ..... | C | Follow-up inpatient consult |

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ADDENDUM E.—CPT CODES WHICH WOULD BE PAID ONLY AS INPATIENT PROCEDURES—Continued

[Calender Year 2003]

| CPT/ HCPCS | Status indicator | Description |
|---|---|---|
| 99262 ..... | C | Follow-up inpatient consult |
| 99263 ..... | C | Follow-up inpatient consult |
| 99295 ..... | C | Neonatal critical care |
| 99296 ..... | C | Neonatal critical care |
| 99297 ..... | C | Neonatal critical care |
| 99298 ..... | C | Neonatal critical care |
| 99356 ..... | C | Prolonged service, inpatient |
| 99357 ..... | C | Prolonged service, inpatient |
| 99433 ..... | C | Normal newborn care/hospital |

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ADDENDUM H.—WAGE INDEX FOR URBAN AREAS

| Urban area (constituent counties) | Wage index |
|---|---|
| 0040 Abilene, TX | 0.9268 |
| Taylor, TX | |
| 0060 Aguadilla, PR | 0.4634 |
| Aguada, PR | |
| Aguadilla, PR | |
| Moca, PR | |
| 0080 Akron, OH | 0.9685 |
| Portage, OH | |
| Summit, OH | |
| 0120 Albany, GA | 1.0835 |
| Dougherty, GA | |
| Lee, GA | |
| 0160 [2] Albany-Schenectady-Troy, NY | 0.8633 |
| Albany, NY | |
| Montgomery, NY | |
| Rensselaer, NY | |
| Saratoga, NY | |
| Schenectady, NY | |
| Schoharie, NY | |
| 0200 Albuquerque, NM | 0.9372 |
| Bernalillo, NM | |
| Sandoval, NM | |
| Valencia, NM | |
| 0220 Alexandria, LA | 0.7929 |
| Rapides, LA | |
| 0240 Allentown-Bethlehem-Easton, PA | 0.9833 |
| Carbon, PA | |
| Lehigh, PA | |
| Northampton, PA | |
| 0280 Altoona, PA | 0.9300 |
| Blair, PA | |
| 0320 Amarillo, TX Potter, TX | 0.9051 |
| Randall, TX | |
| 0380 Anchorage, AK | 1.2610 |
| Anchorage, AK | |
| 0440 Ann Arbor, MI | 1.1217 |
| Lenawee, MI | |
| Livingston, MI | |
| Washtenaw, MI | |
| 0450 Anniston, AL | 0.8126 |
| Calhoun, AL | |
| 0460 [2] Appleton-Oshkosh-Neenah, WI | 0.9229 |
| Calumet, WI | |
| Outagamie, WI | |
| Winnebago, WI | |
| 0470 [2] Arecibo, PR | 0.4400 |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| Arecibo, PR | |
| Camuy, PR | |
| Hatillo, PR | |
| 0480 Asheville, NC | 0.9682 |
| Buncombe, NC | |
| Madison, NC | |
| 0500 Athens, GA | 1.0308 |
| Clarke, GA | |
| Madison, GA | |
| Oconee, GA | |
| 0520 [1] Atlanta, GA | 1.0091 |
| Barrow, GA | |
| Bartow, GA | |
| Carroll, GA | |
| Cherokee, GA | |
| Clayton, GA | |
| Cobb, GA | |
| Coweta, GA | |
| DeKalb, GA | |
| Douglas, GA | |
| Fayette, GA | |
| Forsyth, GA | |
| Fulton, GA | |
| Gwinnett, GA | |
| Henry, GA | |
| Newton, GA | |
| Paulding, GA | |
| Pickens, GA | |
| Rockdale, GA | |
| Spalding, GA | |
| Walton, GA | |
| 0560 Atlantic-Cape May, NJ | 1.1058 |
| Atlantic, NJ | |
| Cape May, NJ | |
| 0580 Auburn-Opelika, AL | 0.8306 |
| Lee, AL | |
| 0600 Augusta-Aiken, GA-SC | 1.0364 |
| Columbia, GA | |
| McDuffie, GA | |
| Richmond, GA | |
| Aiken, SC | |
| Edgefield, SC | |
| 0640 [1] Austin-San Marcos, TX | 0.9529 |
| Bastrop, TX | |
| Caldwell, TX | |
| Hays, TX | |
| Travis, TX | |
| Williamson, TX | |
| 0680 Bakersfield, CA | 1.0186 |
| Kern, CA | |
| 0720 [1] Baltimore, MD | 0.9757 |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| Anne Arundel, MD | |
| Baltimore, MD | |
| Baltimore City, MD | |
| Carroll, MD | |
| Harford, MD | |
| Howard, MD | |
| Queen Anne's, MD | |
| 0733 Bangor, ME | 0.9791 |
| Penobscot, ME | |
| 0743 Barnstable-Yarmouth, MA | 1.3127 |
| Barnstable, MA | |
| 0760 Baton Rouge, LA | 0.8388 |
| Ascension, LA | |
| East Baton Rouge, LA | |
| Livingston, LA | |
| West Baton Rouge, LA | |
| 0840 Beaumont-Port Arthur, TX | 0.8389 |
| Hardin, TX | |
| Jefferson, TX | |
| Orange, TX | |
| 0860 Bellingham, WA | 1.2407 |
| Whatcom, WA | |
| 0870 Benton Harbor, MI | 0.9072 |
| Berrien, MI | |
| 0875 [1] Bergen-Passaic, NJ | 1.2100 |
| Bergen, NJ | |
| Passaic, NJ | |
| 0880 Billings, MT | 0.9114 |
| Yellowstone, MT | |
| 0920 Biloxi-Gulfport-Pascagoula, MS | 0.8830 |
| Hancock, MS | |
| Harrison, MS | |
| Jackson, MS | |
| 0960 [2] Binghamton, NY | 0.8633 |
| Broome, NY | |
| Tioga, NY | |
| 1000 Birmingham, AL | 0.9301 |
| Blount, AL | |
| Jefferson, AL | |
| St. Clair, AL | |
| Shelby, AL | |
| 1010 Bismarck, ND | 0.7881 |
| Burleigh, ND | |
| Morton, ND | |
| 1020 Bloomington, IN | 0.8997 |
| Monroe, IN | |
| 1040 Bloomington-Normal, IL | 0.9202 |
| McLean, IL | |
| 1080 Boise City, ID | 0.9403 |
| Ada, ID | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| Canyon, ID | |
| 1123 [1] Boston-Worcester-Lawrence-Lowell-Brockton, MA-NH | 1.1304 |
| Bristol, MA | |
| Essex, MA | |
| Middlesex, MA | |
| Norfolk, MA | |
| Plymouth, MA | |
| Suffolk, MA | |
| Worcester, MA | |
| Hillsborough, NH | |
| Merrimack, NH | |
| Rockingham, NH | |
| Strafford, NH | |
| 1125 Boulder-Longmont, CO | 0.9688 |
| Boulder, CO | |
| 1145 Brazoria, TX | 0.8617 |
| Brazoria, TX | |
| 1150 Bremerton, WA | 1.1056 |
| Kitsap, WA | |
| 1240 Brownsville-Harlingen-San Benito, TX | 0.8992 |
| Cameron, TX | |
| 1260 Bryan-College Station, TX | 0.8410 |
| Brazos, TX | |
| 1280 [1] Buffalo-Niagara Falls, NY | 0.9464 |
| Erie, NY | |
| Niagara, NY | |
| 1303 Burlington, VT | 1.0176 |
| Chittenden, VT | |
| Franklin, VT | |
| Grand Isle, VT | |
| 1310 Caguas, PR | 0.4453 |
| Caguas, PR | |
| Cayey, PR | |
| Cidra, PR | |
| Gurabo, PR | |
| San Lorenzo, PR | |
| 1320 Canton-Massillon, OH | 0.9026 |
| Carroll, OH | |
| Stark, OH | |
| 1350 Casper, WY | 0.9788 |
| Natrona, WY | |
| 1360 Cedar Rapids, IA | 0.9149 |
| Linn, IA | |
| 1400 Champaign-Urbana, IL | 0.9983 |
| Champaign, IL | |
| 1440 [2] Charleston-North Charleston, SC | 0.8607 |
| Berkeley, SC | |
| Charleston, SC | |
| Dorchester, SC | |
| 1480 Charleston, WV | 0.8765 |
| Kanawha, WV | |
| Putnam, WV | |
| 1520 [1] Charlotte-Gastonia-Rock Hill, NC-SC | 0.9839 |
| Cabarrus, NC | |
| Gaston, NC | |
| Lincoln, NC | |
| Mecklenburg, NC | |
| Rowan, NC | |
| Stanly, NC | |
| Union, NC | |
| York, SC | |
| 1540 Charlottesville, VA | 1.0583 |
| Albemarle, VA | |
| Charlottesville City, VA | |
| Fluvanna, VA | |
| Greene, VA | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 1560 Chattanooga, TN-GA | 0.9069 |
| Catoosa, GA | |
| Dade, GA | |
| Walker, GA | |
| Hamilton, TN | |
| Marion, TN | |
| 1580 [2] Cheyenne, WY | 0.8890 |
| Laramie, WY | |
| 1600 [1] Chicago, IL | 1.1088 |
| Cook, IL | |
| DeKalb, IL | |
| DuPage, IL | |
| Grundy, IL | |
| Kane, IL | |
| Kendall, IL | |
| Lake, IL | |
| McHenry, IL | |
| Will, IL | |
| 1620 [2] Chico-Paradise, CA | 0.9934 |
| Butte, CA | |
| 1640 [1] Cincinnati, OH-KY-IN | 0.9354 |
| Dearborn, IN | |
| Ohio, IN | |
| Boone, KY | |
| Campbell, KY | |
| Gallatin, KY | |
| Grant, KY | |
| Kenton, KY | |
| Pendleton, KY | |
| Brown, OH | |
| Clermont, OH | |
| Hamilton, OH | |
| Warren, OH | |
| 1660 Clarksville-Hopkinsville, TN-KY | 0.8386 |
| Christian, KY | |
| Montgomery, TN | |
| 1680 [1] Cleveland-Lorain-Elyria, OH | 0.9295 |
| Ashtabula, OH | |
| Cuyahoga, OH | |
| Geauga, OH | |
| Lake, OH | |
| Lorain, OH | |
| Medina, OH | |
| 1720 Colorado Springs, CO | 0.9968 |
| El Paso, CO | |
| 1740 Columbia, MO | 0.8737 |
| Boone, MO | |
| 1760 Columbia, SC | 0.8990 |
| Lexington, SC | |
| Richland, SC | |
| 1800 Columbus, GA-ALRussell, AL | 0.8450 |
| Chattahoochee, GA | |
| Harris, GA | |
| Muscogee, GA | |
| 1840 [1] Columbus, OH | 0.9705 |
| Delaware, OH | |
| Fairfield, OH | |
| Franklin, OH | |
| Licking, OH | |
| Madison, OH | |
| Pickaway, OH | |
| 1880 Corpus Christi, TX | 0.8154 |
| Nueces, TX | |
| San Patricio, TX | |
| 1890 Corvallis, OR | 1.1569 |
| Benton, OR | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 1900 [2] Cumberland, MD-WV (MD Hospitals) | 0.8855 |
| Allegany, MD | |
| Mineral, WV | |
| 1900 [2] Cumberland, MD-WV (WV Hospitals) | 0.8053 |
| Allegany, MD | |
| Mineral, WV | |
| 1920 [1] Dallas, TX | 0.9831 |
| Collin, TX | |
| Dallas, TX | |
| Denton, TX | |
| Ellis, TX | |
| Henderson, TX | |
| Hunt, TX | |
| Kaufman, TX | |
| Rockwall, TX | |
| 1950 Danville, VA | 0.8785 |
| Danville City, VA | |
| Pittsylvania, VA | |
| 1960 Davenport-Moline-Rock Island, IA-IL | 0.8872 |
| Scott, IA | |
| Henry, IL | |
| Rock Island, IL | |
| 2000 Dayton-Springfield, OH | 0.9378 |
| Clark, OH | |
| Greene, OH | |
| Miami, OH | |
| Montgomery, OH | |
| 2020 Daytona Beach, FL | 0.9133 |
| Flagler, FL | |
| Volusia, FL | |
| 2030 Decatur, AL | 0.9066 |
| Lawrence, AL | |
| Morgan, AL | |
| 2040 [2] Decatur, IL | 0.8301 |
| Macon, IL | |
| 2080 [1] Denver, CO | 1.0401 |
| Adams, CO | |
| Arapahoe, CO | |
| Denver, CO | |
| Douglas, CO | |
| Jefferson, CO | |
| 2120 Des Moines, IA | 0.8908 |
| Dallas, IA | |
| Polk, IA | |
| Warren, IA | |
| 2160 [1] Detroit, MI | 1.0506 |
| Lapeer, MI | |
| Macomb, MI | |
| Monroe, MI | |
| Oakland, MI | |
| St. Clair, MI | |
| Wayne, MI | |
| 2180 Dothan, AL | 0.8028 |
| Dale, AL | |
| Houston, AL | |
| 2190 Dover, DE | 0.9452 |
| Kent, DE | |
| 2200 Dubuque, IA | 0.8801 |
| Dubuque, IA | |
| 2240 Duluth-Superior, MN-WI | 1.0462 |
| St. Louis, MN | |
| Douglas, WI | |
| 2281 Dutchess County, NY | 1.0793 |
| Dutchess, NY | |
| 2290 [2] Eau Claire, WI | 0.9229 |
| Chippewa, WI | |
| Eau Claire, WI | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 2320 El Paso, TX | 0.9137 |
| El Paso, TX | |
| 2330 Elkhart-Goshen, IN | 0.9851 |
| Elkhart, IN | |
| 2335 [2] Elmira, NY | 0.8633 |
| Chemung, NY | |
| 2340 Enid, OK | 0.8387 |
| Garfield, OK | |
| 2360 Erie, PA | 0.9016 |
| Erie, PA | |
| 2400 Eugene-Springfield, OR | 1.1077 |
| Lane, OR | |
| 2440 [2] Evansville-Henderson, IN-KY (IN Hospitals) | 0.8796 |
| Posey, IN | |
| Vanderburgh, IN | |
| Warrick, IN | |
| Henderson, KY | |
| 2440 Evansville-Henderson, IN-KY (KY Hospitals) | 0.8254 |
| Posey, IN | |
| Vanderburgh, IN | |
| Warrick, IN | |
| Henderson, KY | |
| 2520 Fargo-Moorhead, ND-MN | 0.9783 |
| Clay, MN | |
| Cass, ND | |
| 2560 Fayetteville, NC | 0.9055 |
| Cumberland, NC | |
| 2580 Fayetteville-Springdale-Rogers, AR | 0.8182 |
| Benton, AR | |
| Washington, AR | |
| 2620 Flagstaff, AZ-UT | 1.0791 |
| Coconino, AZ | |
| Kane, UT | |
| 2640 Flint, MI | 1.1233 |
| Genesee, MI | |
| 2650 Florence, AL | 0.7960 |
| Colbert, AL | |
| Lauderdale, AL | |
| 2655 Florence, SC | 0.8869 |
| Florence, SC | |
| 2670 Fort Collins-Loveland, CO | 0.9923 |
| Larimer, CO | |
| 2680 [1] Ft. Lauderdale, FL | 1.0792 |
| Broward, FL | |
| 2700 Fort Myers-Cape Coral, FL | 0.9456 |
| Lee, FL | |
| 2710 Fort Pierce-Port St. Lucie, FL | 0.9959 |
| Martin, FL | |
| St. Lucie, FL | |
| 2720 Fort Smith, AR-OK | 0.7811 |
| Crawford, AR | |
| Sebastian, AR | |
| Sequoyah, OK | |
| 2750 Fort Walton Beach, FL | 0.9651 |
| Okaloosa, FL | |
| 2760 Fort Wayne, IN | 0.9499 |
| Adams, IN | |
| Allen, IN | |
| De Kalb, IN | |
| Huntington, IN | |
| Wells, IN | |
| Whitley, IN | |
| 2800 [1] Forth Worth-Arlington, TX | 0.9620 |
| Hood, TX | |
| Johnson, TX | |
| Parker, TX | |
| Tarrant, TX | |
| 2840 Fresno, CA | 1.0340 |
| Fresno, CA | |
| Madera, CA | |
| 2880 Gadsden, AL | 0.8684 |
| Etowah, AL | |
| 2900 Gainesville, FL | 0.9730 |
| Alachua, FL | |
| 2920 Galveston-Texas City, TX | 0.9603 |
| Galveston, TX | |
| 2960 Gary, IN | 0.9676 |
| Lake, IN | |
| Porter, IN | |
| 2975 [2] Glens Falls, NY | 0.8633 |
| Warren, NY | |
| Washington, NY | |
| 2980 Goldsboro, NC | 0.8982 |
| Wayne, NC | |
| 2985 Grand Forks, ND-MN | 0.9338 |
| Polk, MN | |
| Grand Forks, ND | |
| 2995 Grand Junction, CO | 0.9824 |
| Mesa, CO | |
| 3000 [1] Grand Rapids-Muskegon-Holland, MI | 0.9664 |
| Allegan, MI | |
| Kent, MI | |
| Muskegon, MI | |
| Ottawa, MI | |
| 3040 Great Falls, MT | 0.9057 |
| Cascade, MT | |
| 3060 Greeley, CO | 0.9219 |
| Weld, CO | |
| 3080 Green Bay, WI | 0.9599 |
| Brown, WI | |
| 3120 [1] Greensboro-Winston-Salem-High Point, NC | 0.9270 |
| Alamance, NC | |
| Davidson, NC | |
| Davie, NC | |
| Forsyth, NCGuilford, NC | |
| Randolph, NC | |
| Stokes, NC | |
| Yadkin, NC | |
| 3150 Greenville, NC | 0.9257 |
| Pitt, NC | |
| 3160 Greenville-Spartanburg-Anderson, SC | 0.9177 |
| Anderson, SC | |
| Cherokee, SC | |
| Greenville, SC | |
| Pickens, SC | |
| Spartanburg, SC | |
| 3180 Hagerstown, MD | 0.9362 |
| Washington, MD | |
| 3200 Hamilton-Middletown, OH | 0.9484 |
| Butler, OH | |
| 3240 Harrisburg-Lebanon-Carlisle, PA | 0.9315 |
| Cumberland, PA | |
| Dauphin, PA | |
| Lebanon, PA | |
| Perry, PA | |
| 3283 \1, 2\ Hartford, CT | 1.2520 |
| Hartford, CT | |
| Litchfield, CT | |
| Middlesex, CT | |
| Tolland, CT | |
| 3285 [2] Hattiesburg, MS | 0.7759 |
| Forrest, MS | |
| Lamar, MS | |
| 3290 Hickory-Morganton-Lenoir, NC | 0.8958 |
| Alexander, NC | |
| Burke, NC | |
| Caldwell, NC | |
| Catawba, NC | |
| 3320 Honolulu, HI | 1.1121 |
| Honolulu, HI | |
| 3350 Houma, LA | 0.8470 |
| Lafourche, LA | |
| Terrebonne, LA | |
| 3360 [1] Houston, TX | 0.9746 |
| Chambers, TX | |
| Fort Bend, TX | |
| Harris, TX | |
| Liberty, TX | |
| Montgomery, TX | |
| Waller, TX | |
| 3400 Huntington-Ashland, WV-KY-OH | 0.9744 |
| Boyd, KY | |
| Carter, KY | |
| Greenup, KY | |
| Lawrence, OH | |
| Cabell, WV | |
| Wayne, WV | |
| 3440 Huntsville, AL | 0.8901 |
| Limestone, AL | |
| Madison, AL | |
| 3480 [1] Indianapolis, IN | 0.9828 |
| Boone, IN | |
| Hamilton, IN | |
| Hancock, IN | |
| Hendricks, IN | |
| Johnson, IN | |
| Madison, IN | |
| Marion, IN | |
| Morgan, IN | |
| Shelby, IN | |
| 3500 Iowa City, IA | 1.0025 |
| Johnson, IA | |
| 3520 Jackson, MI | 0.9591 |
| Jackson, MI | |
| 3560 Jackson, MS | 0.8713 |
| Hinds, MS | |
| Madison, MS | |
| Rankin, MS | |
| 3580 Jackson, TN | 0.9370 |
| Madison, TN | |
| Chester, TN | |
| 3600 [1] Jacksonville, FL | 0.9341 |
| Clay, FL | |
| Duval, FL | |
| Nassau, FL | |
| St. Johns, FL | |
| 3605 [2] Jacksonville, NC | 0.8714 |
| Onslow, NC | |
| 3610 [2] Jamestown, NY | 0.8633 |
| Chautauqua, NY | |
| 3620 Janesville-Beloit, WI | 0.9696 |
| Rock, WI | |
| 3640 Jersey City, NJ | 1.1200 |
| Hudson, NJ | |
| 3660 Johnson City-Kingsport-Bristol, TN-VA (TN Hospitals) | 0.8384 |
| Carter, TN | |
| Hawkins, TN | |
| Sullivan, TN | |
| Unicoi, TN | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| Washington, TN | |
| Bristol City, VA | |
| Scott, VA | |
| Washington, VA | |
| 3660 [2] Johnson City-Kingsport-Bristol, TN-VA (VA Hospitals) | 0.8494 |
| Carter, TN | |
| Hawkins, TN | |
| Sullivan, TN | |
| Unicoi, TN | |
| Washington, TN | |
| Bristol City, VA | |
| Scott, VA | |
| Washington, VA | |
| 3680 [2] Johnstown, PA | 0.8525 |
| Cambria, PA | |
| Somerset, PA | |
| 3700 Jonesboro, AR | 0.7906 |
| Craighead, AR | |
| 3710 Joplin, MO | 0.8700 |
| Jasper, MO | |
| Newton, MO | |
| 3720 Kalamazoo-Battlecreek, MI | 1.0689 |
| Calhoun, MI | |
| Kalamazoo, MI | |
| Van Buren, MI | |
| 3740 Kankakee, IL | 0.9591 |
| Kankakee, IL | |
| 3760 [1] Kansas City, KS-MO | 0.9809 |
| Johnson, KS | |
| Leavenworth, KS | |
| Miami, KS | |
| Wyandotte, KS | |
| Cass, MO | |
| Clay, MO | |
| Clinton, MO | |
| Jackson, MO | |
| Lafayette, MO | |
| Platte, MO | |
| Ray, MO | |
| 3800 Kenosha, WI | 0.9741 |
| Kenosha, WI | |
| 3810 Killeen-Temple, TX | 0.8447 |
| Bell, TX | |
| Coryell, TX | |
| 3840 Knoxville, TN | 0.9090 |
| Anderson, TN | |
| Blount, TN | |
| Knox, TN | |
| Loudon, TN | |
| Sevier, TN | |
| Union, TN | |
| 3850 Kokomo, IN | 0.9031 |
| Howard, IN | |
| Tipton, IN | |
| 3870 [2] La Crosse, WI-MN (WI Hospitals) | 0.9229 |
| Houston, MN | |
| La Crosse, WI | |
| 3870 [2] La Crosse, WI-MN (MN Hospitals) | 0.9249 |
| Houston, MN | |
| La Crosse, WI | |
| 3880 Lafayette, LA | 0.8550 |
| Acadia, LA | |
| Lafayette, LA | |
| St. Landry, LA | |
| St. Martin, LA | |
| 3920 Lafayette, IN | 0.9515 |
| Clinton, IN | |
| Tippecanoe, IN | |
| 3960 Lake Charles, LA | 0.8030 |
| Calcasieu, LA | |
| 3980 Lakeland-Winter Haven, FL | 0.9170 |
| Polk, FL | |
| 4000 Lancaster, PA | 0.9171 |
| Lancaster, PA | |
| 4040 Lansing-East Lansing, MI | 0.9827 |
| Clinton, MI | |
| Eaton, MI | |
| Ingham, MI | |
| 4080 Laredo, TX | 0.8504 |
| Webb, TX | |
| 4100 Las Cruces, NM | 0.8888 |
| Dona Ana, NM | |
| 4120 [1] Las Vegas, NV-AZ | 1.1018 |
| Mohave, AZ | |
| Clark, NV | |
| Nye, NV | |
| 4150 Lawrence, KS | 0.7964 |
| Douglas, KS | |
| 4200 Lawton, OK | 0.8251 |
| Comanche, OK | |
| 4243 Lewiston-Auburn, ME | 0.9249 |
| Androscoggin, ME | |
| 4280 Lexington, KY | 0.8629 |
| Bourbon, KY | |
| Clark, KY | |
| Fayette, KY | |
| Jessamine, KY | |
| Madison, KY | |
| Scott, KY | |
| Woodford, KY | |
| 4320 Lima, OH | 0.9515 |
| Allen, OH | |
| Auglaize, OH | |
| 4360 Lincoln, NE | 0.9133 |
| Lancaster, NE | |
| 4400 Little Rock-North Little Rock, AR | 0.9045 |
| Faulkner, AR | |
| Lonoke, AR | |
| Pulaski, AR | |
| Saline, AR | |
| 4420 Longview-Marshall, TX | 0.8588 |
| Gregg, TX | |
| Harrison, TX | |
| Upshur, TX | |
| 4480 [1] Los Angeles-Long Beach, CA | 1.2044 |
| Los Angeles, CA | |
| 4520 [1] Louisville, KY-IN | 0.9517 |
| Clark, IN | |
| Floyd, IN | |
| Harrison, IN | |
| Scott, IN | |
| Bullitt, KY | |
| Jefferson, KY | |
| Oldham, KY | |
| 4600 Lubbock, TX | 0.7809 |
| Lubbock, TX | |
| 4640 Lynchburg, VA | 0.9311 |
| Amherst, VA | |
| Bedford, VA | |
| Bedford City, VA | |
| Campbell, VA | |
| Lynchburg City, VA | |
| 4680 Macon, GA | 0.9296 |
| Bibb, GA | |
| Houston, GA | |
| Jones, GA | |
| Peach, GA | |
| Twiggs, GA | |
| 4720 Madison, WI | 1.0188 |
| Dane, WI | |
| 4800 Mansfield, OH | 0.8989 |
| Crawford, OH | |
| Richland, OH | |
| 4840 Mayaguez, PR | 0.4921 |
| Anasco, PR | |
| Cabo Rojo, PR | |
| Hormigueros, PR | |
| Mayaguez, PR | |
| Sabana Grande, PR | |
| San German, PR | |
| 4880 McAllen-Edinburg-Mission, TX | 0.8419 |
| Hidalgo, TX | |
| 4890 Medford-Ashland, OR | 1.0605 |
| Jackson, OR | |
| 4900 Melbourne-Titusville-Palm Bay, FL | 1.0782 |
| Brevard, Fl | |
| 4920 [1] Memphis, TN-AR-MS | 0.8839 |
| Crittenden, AR | |
| DeSoto, MS | |
| Fayette, TN | |
| Shelby, TN | |
| Tipton, TN | |
| 4940 Merced, CA | 0.9937 |
| Merced, CA | |
| 5000 [1] Miami, FL | 0.9878 |
| Dade, FL | |
| 5015 [1] Middlesex-Somerset-Hunterdon, NJ | 1.1454 |
| Hunterdon, NJ | |
| Middlesex, NJ | |
| Somerset, NJ | |
| 5080 [1] Milwaukee-Waukesha, WI | 0.9901 |
| Milwaukee, WI | |
| Ozaukee, WI | |
| Washington, WI | |
| Waukesha, WI | |
| 5120 [1] Minneapolis-St. Paul, MN-WI | 1.0969 |
| Anoka, MN | |
| Carver, MN | |
| Chisago, MN | |
| Dakota, MN | |
| Hennepin, MN | |
| Isanti, MN | |
| Ramsey, MN | |
| Scott, MN | |
| Sherburne, MN | |
| Washington, MN | |
| Wright, MN | |
| Pierce, WI | |
| St. Croix, WI | |
| 5140 Missoula, MT | 0.9250 |
| Missoula, MT | |
| 5160 Mobile, AL | 0.8181 |
| Baldwin, AL | |
| Mobile, AL | |
| 5170 Modesto, CA | 1.0606 |
| Stanislaus, CA | |
| 5190 [1] Monmouth-Ocean, NJ | 1.1290 |
| Monmouth, NJ | |
| Ocean, NJ | |
| 5200 Monroe, LA | 0.8191 |
| Ouachita, LA | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 5240 [2] Montgomery, AL | 0.7853 |
| Autauga, AL | |
| Elmore, AL | |
| Montgomery, AL | |
| 5280 Muncie, IN | 0.9150 |
| Delaware, IN | |
| 5330 Myrtle Beach, SC | 0.9141 |
| Horry, SC | |
| 5345 Naples, FL | 0.9803 |
| Collier, FL | |
| 5360 [1] Nashville, TN | 0.9456 |
| Cheatham, TN | |
| Davidson, TN | |
| Dickson, TN | |
| Robertson, TN | |
| Rutherford TN | |
| Sumner, TN | |
| Williamson, TN | |
| Wilson, TN | |
| 5380 [1] Nassau-Suffolk, NY | 1.3441 |
| Nassau, NY | |
| Suffolk, NY | |
| 5483 \1, 2\ New Haven-Bridgeport-Stamford-Waterbury- | 1.2520 |
| Danbury, CT | |
| Fairfield, CT | |
| New Haven, CT | |
| 5523 [2] New London-Norwich, CT | 1.2520 |
| New London, CT | |
| 5560 [1] New Orleans, LA | 0.9050 |
| Jefferson, LA | |
| Orleans, LA | |
| Plaquemines, LA | |
| St. Bernard, LA | |
| St. Charles, LA | |
| St. James, LA | |
| St. John The Baptist, LA | |
| St. Tammany, LA | |
| 5600 [1] New York, NY | 1.4069 |
| Bronx, NY | |
| Kings, NY | |
| New York, NY | |
| Putnam, NY | |
| Queens, NY | |
| Richmond, NY | |
| Rockland, NY | |
| Westchester, NY | |
| 5640 [1] Newark, NJ | 1.1546 |
| Essex, NJ | |
| Morris, NJ | |
| Sussex, NJ | |
| Union, NJ | |
| Warren, NJ | |
| 5660 Newburgh, NY-PA | 1.1434 |
| Orange, NY | |
| Pike, PA | |
| 5720 [1] Norfolk-Virginia Beach-Newport News, VA-NC | 0.8553 |
| Currituck, NC | |
| Chesapeake City, VA | |
| Gloucester, VA | |
| Hampton City, VA | |
| Isle of Wight, VA | |
| James City, VA | |
| Mathews, VA | |
| Newport News City, VA | |
| Norfolk City, VA | |
| Poquoson City, VA | |
| Portsmouth City, VA | |
| Suffolk City, VA | |
| Virginia Beach City VA | |
| Williamsburg City, VA | |
| York, VA | |
| 5775 [1] Oakland, CA | 1.5324 |
| Alameda, CA | |
| Contra Costa, CA | |
| 5790 Ocala, FL | 0.9526 |
| Marion, FL | |
| 5800 Odessa-Midland, TX | 0.9233 |
| Ector, TX | |
| Midland, TX | |
| 5880 [1] Oklahoma City, OK | 0.8997 |
| Canadian, OK | |
| Cleveland, OK | |
| Logan, OK | |
| McClain, OK | |
| Oklahoma, OK | |
| Pottawatomie, OK | |
| 5910 Olympia, WA | 1.1071 |
| Thurston, WA | |
| 5920 Omaha, NE-IA | 1.0089 |
| Pottawattamie, IA | |
| Cass, NE | |
| Douglas, NE | |
| Sarpy, NE | |
| Washington, NE | |
| 5945 [1] Orange County, CA | 1.1726 |
| Orange, CA | |
| 5960 [1] Orlando, FL | 0.9537 |
| Lake, FL | |
| Orange, FL | |
| Osceola, FL | |
| Seminole, FL | |
| 5990 Owensboro, KY | 0.8283 |
| Daviess, KY | |
| 6015 Panama City, FL | 0.8926 |
| Bay, FL | |
| 6020 Parkersburg-Marietta, WV-OH (WV Hospitals) | 0.8210 |
| Washington, OH | |
| Wood, WV | |
| 6020 [2] Parkersburg-Marietta, WV-OH (OH Hospitals) | 0.8675 |
| Washington, OH | |
| Wood, WV | |
| 6080 [2] Pensacola, FL | 0.8907 |
| Escambia, FL | |
| Santa Rosa, FL | |
| 6120 Peoria-Pekin, IL | 0.8854 |
| Peoria, IL | |
| Tazewell, IL | |
| Woodford, IL | |
| 6160 [1] Philadelphia, PA-NJ | 1.0675 |
| Burlington, NJ | |
| Camden, NJ | |
| Gloucester, NJ | |
| Salem, NJ | |
| Bucks, PA | |
| Chester, PA | |
| Delaware, PA | |
| Montgomery, PA | |
| Philadelphia, PA | |
| 6200 [1] Phoenix-Mesa, AZ | 0.9562 |
| Maricopa, AZ | |
| Pinal, AZ | |
| 6240 Pine Bluff, AR | 0.7866 |
| Jefferson, AR | |
| 6280 [1] Pittsburgh, PA | 0.9403 |
| Allegheny, PA | |
| Beaver, PA | |
| Butler, PA | |
| Fayette, PA | |
| Washington, PA | |
| Westmoreland, PA | |
| 6323 [2] Pittsfield, MA | 1.1257 |
| Berkshire, MA | |
| 6340 Pocatello, ID | 0.9013 |
| Bannock, ID | |
| 6360 Ponce, PR | 0.5221 |
| Guayanilla, PR | |
| Juana Diaz, PR | |
| Penuelas, PR | |
| Ponce, PR | |
| Villalba, PR | |
| Yauco, PR | |
| 6403 Portland, ME | 0.9932 |
| Cumberland, ME | |
| Sagadahoc, ME | |
| York, ME | |
| 6440 [1] Portland-Vancouver, OR-WA | 1.0792 |
| Clackamas, OR | |
| Columbia, OR | |
| Multnomah, OR | |
| Washington, OR | |
| Yamhill, OR | |
| Clark, WA | |
| 6483 [1] Providence-Warwick-Pawtucket, RI | 1.0558 |
| Bristol, RI | |
| Kent, RI | |
| Newport, RI | |
| Providence, RI | |
| Washington, RI | |
| 6520 Provo-Orem, UT | 1.0190 |
| Utah, UT | |
| 6560 [2] Pueblo, CO | 0.9104 |
| Pueblo, CO | |
| 6580 [2] Punta Gorda, FL | 0.8907 |
| Charlotte, FL | |
| 6600 Racine, WI | 0.9413 |
| Racine, WI | |
| 6640 [1] Raleigh-Durham-Chapel Hill, NC | 1.0083 |
| Chatham, NC | |
| Durham, NC | |
| Franklin, NC | |
| Johnston, NC | |
| Orange, NC | |
| Wake, NC | |
| 6660 Rapid City, SD | 0.8936 |
| Pennington, SD | |
| 6680 Reading, PA | 0.9308 |
| Berks, PA | |
| 6690 Redding, CA | 1.1249 |
| Shasta, CA | |
| 6720 Reno, NV | 1.0664 |
| Washoe, NV | |
| 6740 Richland-Kennewick-Pasco, WA | 1.1608 |
| Benton, WA | |
| Franklin, WA | |
| 6760 Richmond-Petersburg, VA | 0.9735 |
| Charles City County, VA | |
| Chesterfield, VA | |
| Colonial Heights City, VA | |
| Dinwiddie, VA | |
| Goochland, VA | |
| Hanover, VA | |
| Henrico, VA | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| Hopewell City, VA | |
| New Kent, VA | |
| Petersburg City, VA | |
| Powhatan, VA | |
| Prince George, VA | |
| Richmond City, VA | |
| 6780 [1] Riverside-San Bernardino, CA | 1.1251 |
| Riverside, CA | |
| San Bernardino, CA | |
| 6800 Roanoke, VA | 0.8703 |
| Botetourt, VA | |
| Roanoke, VA | |
| Roanoke City, VA | |
| Salem City, VA | |
| 6820 Rochester, MN | 1.2263 |
| Olmsted, MN | |
| 6840 [1] Rochester, NY | 0.9133 |
| Genesee, NY | |
| Livingston, NY | |
| Monroe, NY | |
| Ontario, NY | |
| Orleans, NY | |
| Wayne, NY | |
| 6880 Rockford, IL | 0.9456 |
| Boone, IL | |
| Ogle, IL | |
| Winnebago, IL | |
| 6895 Rocky Mount, NC | 0.9322 |
| Edgecombe, NC | |
| Nash, NC | |
| 6920 [1] Sacramento, CA | 1.1636 |
| El Dorado, CA | |
| Placer, CA | |
| Sacramento, CA | |
| 6960 Saginaw-Bay City-Midland, MI | 0.9709 |
| Bay, MI | |
| Midland, MI | |
| Saginaw, MI | |
| 6980 St. Cloud, MN | 0.9858 |
| Benton, MN | |
| Stearns, MN | |
| 7000 [2] St. Joseph, MO | 0.8099 |
| Andrew, MO | |
| Buchanan, MO | |
| 7040 [1] St. Louis, MO-IL | 0.8907 |
| Clinton, IL | |
| Jersey, IL | |
| Madison, IL | |
| Monroe, IL | |
| St. Clair, IL | |
| Franklin, MO | |
| Jefferson, MO | |
| Lincoln, MO | |
| St. Charles, MO | |
| St. Louis, MO | |
| St. Louis City, MO | |
| Warren, MO | |
| 7080 Salem, OR | 1.0473 |
| Marion, OR | |
| Polk, OR | |
| 7120 Salinas, CA | 1.4772 |
| Monterey, CA | |
| 7160 [1] Salt Lake City-Ogden, UT | 1.0035 |
| Davis, UT | |
| Salt Lake, UT | |
| Weber, UT | |
| 7200 San Angelo, TX | 0.7956 |
| Tom Green, TX | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 7240 [1] San Antonio, TX | 0.8649 |
| Bexar, TX | |
| Comal, TX | |
| Guadalupe, TX | |
| Wilson, TX | |
| 7320 [1] San Diego, CA | 1.1247 |
| San Diego, CA | |
| 7360 [1] San Francisco, CA | 1.4288 |
| Marin, CA | |
| San Francisco, CA | |
| San Mateo, CA | |
| 7400 [1] San Jose, CA | 1.4162 |
| Santa Clara, CA | |
| 7440 [1] San Juan-Bayamon, PR | 0.4706 |
| Aguas Buenas, PR | |
| Barceloneta, PR | |
| Bayamon, PR | |
| Canovanas, PR | |
| Carolina, PR | |
| Catano, PR | |
| Ceiba, PR | |
| Comerio, PR | |
| Corozal, PR | |
| Dorado, PR | |
| Fajardo, PR | |
| Florida, PR | |
| Guaynabo, PR | |
| Humacao, PR | |
| Juncos, PR | |
| Los Piedras, PR | |
| Loiza, PR | |
| Luguillo, PR | |
| Manati, PR | |
| Morovis, PR | |
| Naguabo, PR | |
| Naranjito, PR | |
| Rio Grande, PR | |
| San Juan, PR | |
| Toa Alta, PR | |
| Toa Baja, PR | |
| Trujillo Alto, PR | |
| Vega Alta, PR | |
| Vega Baja, PR | |
| Yabucoa, PR | |
| 7460 San Luis Obispo-Atascadero-Paso Robles, CA | 1.1386 |
| San Luis Obispo, CA | |
| 7480 Santa Barbara-Santa Maria-Lompoc, CA | 1.0588 |
| Santa Barbara, CA | |
| 7485 Santa Cruz-Watsonville, CA | 1.3630 |
| Santa Cruz, CA | |
| 7490 Santa Fe, NM | 1.0822 |
| Los Alamos, NM | |
| Santa Fe, NM | |
| 7500 Santa Rosa, CA | 1.3179 |
| Sonoma, CA | |
| 7510 Sarasota-Bradenton, FL | 0.9367 |
| Manatee, FL | |
| Sarasota, FL | |
| 7520 Savannah, GA | 0.9961 |
| Bryan, GA | |
| Chatham, GA | |
| Effingham, GA | |
| 7560 [2] Scranton—Wilkes-Barre—Hazleton, PA | 0.8525 |
| Columbia, PA | |
| Lackawanna, PA | |
| Luzerne, PA | |
| Wyoming, PA | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 7600 [1] Seattle-Bellevue-Everett, WA | 1.1571 |
| Island, WA | |
| King, WA | |
| Snohomish, WA | |
| 7610 [2] Sharon, PA | 0.8525 |
| Mercer, PA | |
| 7620 [2] Sheboygan, WI | 0.9229 |
| Sheboygan, WI | |
| 7640 Sherman-Denison, TX | 0.9334 |
| Grayson, TX | |
| 7680 Shreveport-Bossier City, LA | 0.8813 |
| Bossier, LA | |
| Caddo, LA | |
| Webster, LA | |
| 7720 Sioux City, IA-NE | 0.9138 |
| Woodbury, IA | |
| Dakota, NE | |
| 7760 Sioux Falls, SD | 0.9098 |
| Lincoln, SD | |
| Minnehaha, SD | |
| 7800 South Bend, IN | 0.9902 |
| St. Joseph, IN | |
| 7840 Spokane, WA | 1.0961 |
| Spokane, WA | |
| 7880 Springfield, IL | 0.8654 |
| Menard, IL | |
| Sangamon, IL | |
| 7920 Springfield, MO | 0.8510 |
| Christian, MO | |
| Greene, MO | |
| Webster, MO | |
| 8003 [2] Springfield, MA | 1.1257 |
| Hampden, MA | |
| Hampshire, MA | |
| 8050 State College, PA | 0.9032 |
| Centre, PA | |
| 8080 Steubenville-Weirton, OH-WV | 0.8893 |
| Jefferson, OH | |
| Brooke, WV | |
| Hancock, WV | |
| 8120 Stockton-Lodi, CA | 1.0630 |
| San Joaquin, CA | |
| 8140 [2] Sumter, SC | 0.8607 |
| Sumter, SC | |
| 8160 Syracuse, NY | 0.9519 |
| Cayuga, NY | |
| Madison, NY | |
| Onondaga, NY | |
| Oswego, NY | |
| 8200 Tacoma, WA | 1.1052 |
| Pierce, WA | |
| 8240 [2] Tallahassee, FL | 0.8907 |
| Gadsden, FL | |
| Leon, FL | |
| 8280 [1] Tampa-St. Petersburg-Clearwater, FL | 0.9238 |
| Hernando, FL | |
| Hillsborough, FL | |
| Pasco, FL | |
| Pinellas, FL | |
| 8320 [2] Terre Haute, IN | 0.8796 |
| Clay, IN | |
| Vermillion, IN | |
| Vigo, IN | |
| 8360 Texarkana,AR-Texarkana, TX | 0.8193 |
| Miller, AR | |
| Bowie, TX | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 8400 Toledo, OH | 0.9863 |
| Fulton, OH | |
| Lucas, OH | |
| Wood, OH | |
| 8440 Topeka, KS | 0.8952 |
| Shawnee, KS | |
| 8480 Trenton, NJ | 1.0710 |
| Mercer, NJ | |
| 8520 Tucson, AZ | 0.8993 |
| Pima, AZ | |
| 8560 Tulsa, OK | 0.8398 |
| Creek, OK | |
| Osage, OK | |
| Rogers, OK | |
| Tulsa, OK | |
| Wagoner, OK | |
| 8600 Tuscaloosa, AL | 0.8303 |
| Tuscaloosa, AL | |
| 8640 Tyler, TX | 0.9650 |
| Smith, TX | |
| 8680 [2] Utica-Rome, NY | 0.8633 |
| Herkimer, NY | |
| Oneida, NY | |
| 8720 Vallejo-Fairfield-Napa, CA | 1.3544 |
| Napa, CA | |
| Solano, CA | |
| 8735 Ventura, CA | 1.1209 |
| Ventura, CA | |
| 8750 Victoria, TX | 0.8814 |
| Victoria, TX | |
| 8760 Vineland-Millville-Bridgeton, NJ | 1.0296 |
| Cumberland, NJ | |
| 8780 2Visalia-Tulare-Porterville, CA | 0.9934 |
| Tulare, CA | |
| 8800 Waco, TX | 0.8802 |
| McLennan, TX | |
| 8840 [1] Washington, DC-MD-VA-WV | 1.0852 |
| District of Columbia, DC | |
| Calvert, MD | |
| Charles, MD | |
| Frederick, MD | |
| Montgomery, MD | |
| Prince Georges, MD | |
| Alexandria City, VA | |
| Arlington, VA | |
| Clarke, VA | |
| Culpeper, VA | |
| Fairfax, VA | |
| Fairfax City, VA | |
| Falls Church City, VA | |
| Fauquier, VA | |
| Fredericksburg City, VA | |
| King George, VA | |
| Loudoun, VA | |
| Manassas City, VA | |
| Manassas Park City, VA | |
| Prince William, VA | |
| Spotsylvania, VA | |
| Stafford, VA | |
| Warren, VA | |
| Berkeley, WV | |
| Jefferson, WV | |
| 8920 Waterloo-Cedar Falls, IA | 0.8970 |
| Black Hawk, IA | |
| 8940 Wausau, WI | 0.9882 |
| Marathon, WI | |

ADDENDUM H.—WAGE INDEX FOR URBAN AREAS—Continued

| Urban area (constituent counties) | Wage index |
|---|---|
| 8960 [1] West Palm Beach-Boca Raton, FL | 0.9929 |
| Palm Beach, FL | |
| 9000 [2] Wheeling, WV-OH (WV Hospitals) | 0.8053 |
| Belmont, OH | |
| Marshall, WV | |
| Ohio, WV | |
| 9000 [2] Wheeling, WV-OH (OH Hospitals) | 0.8675 |
| Belmont, OH | |
| Marshall, WV | |
| Ohio, WV | |
| 9040 Wichita, KS | 0.9571 |
| Butler, KS | |
| Harvey, KS | |
| Sedgwick, KS | |
| 9080 Wichita Falls, TX | 0.8023 |
| Archer, TX | |
| Wichita, TX | |
| 9140 Williamsport, PA | 0.8624 |
| Lycoming, PA | |
| 9160 Wilmington-Newark, DE-MD | 1.1287 |
| New Castle, DE | |
| Cecil, MD | |
| 9200 Wilmington, NC | 0.9471 |
| New Hanover, NC | |
| Brunswick, NC | |
| 9260 Yakima, WA | 1.0676 |
| Yakima, WA | |
| 9270 [2] Yolo, CA | 0.9934 |
| Yolo, CA | |
| 9280 York, PA | 0.9140 |
| York, PA | |
| 9320 Youngstown-Warren, OH | 0.9485 |
| Columbiana, OH | |
| Mahoning, OH | |
| Trumbull, OH | |
| 9340 Yuba City, CA | 1.0310 |
| Sutter, CA | |
| Yuba, CA | |
| 9360 Yuma, AZ | 0.8677 |
| Yuma, AZ | |

[1] Large Urban Area

[2] Hospitals geographically located in the area are assigned the statewide rural wage index.

ADDENDUM I.—WAGE INDEX FOR RURAL AREAS

| Nonurban area | Wage index |
|---|---|
| Alabama | 0.7853 |
| Alaska | 1.2323 |
| Arizona | 0.8483 |
| Arkansas | 0.7670 |
| California | 0.9934 |
| Colorado | 0.9104 |
| Connecticut | 1.2520 |
| Delaware | 0.9126 |
| Florida | 0.8907 |
| Georgia | 0.8254 |
| Hawaii | 1.0342 |
| Idaho | 0.8799 |
| Illinois | 0.8301 |
| Indiana | 0.8796 |
| Iowa | 0.8395 |

ADDENDUM I.—WAGE INDEX FOR RURAL AREAS—Continued

| Nonurban area | Wage index |
|---|---|
| Kansas | 0.7964 |
| Kentucky | 0.8079 |
| Louisiana | 0.7719 |
| Maine | 0.8754 |
| Maryland | 0.8855 |
| Massachusetts | 1.1257 |
| Michigan | 0.8961 |
| Minnesota | 0.9249 |
| Mississippi | 0.7759 |
| Missouri | 0.8099 |
| Montana | 0.8567 |
| Nebraska | 0.8283 |
| Nevada | 0.9519 |
| New Hampshire | 0.9882 |
| New Jersey [1] | ..... |
| New Mexico | 0.8645 |
| New York | 0.8633 |
| North Carolina | 0.8714 |
| North Dakota | 0.7830 |
| Ohio | 0.8675 |
| Oklahoma | 0.7664 |
| Oregon | 1.0408 |
| Pennsylvania | 0.8525 |
| Puerto Rico | 0.4400 |
| Rhode Island [1] | ..... |
| South Carolina | 0.8607 |
| South Dakota | 0.7895 |
| Tennessee | 0.7873 |
| Texas | 0.7759 |
| Utah | 0.9426 |
| Vermont | 0.9402 |
| Virginia | 0.8494 |
| Washington | 1.0274 |
| West Virginia | 0.8053 |
| Wisconsin | 0.9229 |
| Wyoming | 0.8890 |

[1] All counties within the State are classified as urban.

ADDENDUM J.—WAGE INDEX FOR HOSPITALS THAT ARE RECLASSIFIED

| Area | Wage index |
|---|---|
| Abilene, TX | 0.8534 |
| Akron, OH | 0.9685 |
| Albany, GA | 1.0658 |
| Albuquerque, NM | 0.9372 |
| Alexandria, LA | 0.7929 |
| Allentown-Bethlehem-Easton, PA | 0.9833 |
| Altoona, PA | 0.9300 |
| Amarillo, TX | 0.8900 |
| Anchorage, AK | 1.2610 |
| Ann Arbor, MI | 1.1217 |
| Anniston, AL | 0.7983 |
| Asheville, NC | 0.9448 |
| Athens, GA | 1.0161 |
| Atlanta, GA | 0.9985 |
| Augusta-Aiken, GA-SC | 0.9981 |
| Austin-San Marcos, TX | 0.9529 |
| Barnstable-Yarmouth, MA | 1.2894 |
| Baton Rouge, LA | 0.8281 |
| Bellingham, WA | 1.2139 |
| Benton Harbor, MI | 0.9072 |
| Bergen-Passaic, NJ | 1.2100 |
| Billings, MT | 0.9114 |
| Biloxi-Gulfport-Pascagoula, MS | 0.8417 |
| Binghamton, NY | 0.8525 |

ADDENDUM J.—WAGE INDEX FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

| Area | Wage index |
|---|---|
| Birmingham, AL | 0.9301 |
| Bismarck, ND | 0.7881 |
| Boston-Worcester-Lawrence-Lowell-Brockton, MA-NH | 1.1304 |
| Burlington, VT | 0.9667 |
| Caguas, PR | 0.4453 |
| Casper, WY | 0.9655 |
| Champaign-Urbana, IL | 0.9334 |
| Charleston-North Charleston, SC | 0.8607 |
| Charleston, WV | 0.8602 |
| Charlotte-Gastonia-Rock Hill, NC-SC | 0.9839 |
| Charlottesville, VA | 1.0252 |
| Chattanooga, TN-GA | 0.8878 |
| Chicago, IL | 1.0953 |
| Cincinnati, OH-KY-IN | 0.9354 |
| Clarksville-Hopkinsville, TN-KY | 0.8239 |
| Cleveland-Lorain-Elyria, OH | 0.9295 |
| Columbia, MO | 0.8737 |
| Columbia, SC | 0.8990 |
| Columbus, GA-AL (GA Hospitals) | 0.8254 |
| Columbus, GA-AL (AL Hospitals) | 0.8041 |
| Columbus, OH | 0.9521 |
| Corpus Christi, TX | 0.8154 |
| Dallas, TX | 0.9831 |
| Danville, VA | 0.8530 |
| Davenport-Moline-Rock Island, IA-IL | 0.8872 |
| Dayton-Springfield, OH | 0.9378 |
| Denver, CO | 1.0401 |
| Des Moines, IA | 0.8908 |
| Detroit, MI | 1.0506 |
| Dothan, AL | 0.8028 |
| Dover, DE | 0.9274 |
| Duluth-Superior, MN-WI | 1.0462 |
| Eau Claire, WI | 0.9229 |
| Elkhart-Goshen, IN | 0.9484 |
| Erie, PA | 0.8850 |
| Eugene-Springfield, OR | 1.1077 |
| Fargo-Moorhead, ND-MN | 0.9564 |
| Fayetteville, NC | 0.9055 |
| Flagstaff, AZ-UT | 1.0234 |
| Flint, MI | 1.1041 |
| Florence, AL | 0.7960 |
| Florence, SC | 0.8869 |
| Fort Collins-Loveland, CO | 0.9923 |
| Ft. Lauderdale, FL | 1.0792 |
| Fort Pierce-Port St. Lucie, FL | 0.9959 |
| Fort Smith, AR-OK | 0.7681 |
| Fort Walton Beach, FL | 0.9365 |
| Forth Worth-Arlington, TX | 0.9620 |
| Gadsden, AL | 0.8684 |
| Grand Forks, ND-MN | 0.9338 |
| Grand Junction, CO | 0.9824 |
| Grand Rapids-Muskegon-Holland, MI | 0.9664 |
| Great Falls, MT | 0.9057 |
| Greeley, CO | 0.9219 |
| Green Bay, WI | 0.9347 |
| Greensboro-Winston-Salem-High Point, NC | 0.9131 |
| Greenville, NC | 0.9257 |
| Harrisburg-Lebanon-Carlisle, PA | 0.9315 |
| Hartford, CT | 1.1550 |
| Hattiesburg, MS | 0.7759 |
| Hickory-Morganton-Lenoir, NC | 0.8958 |
| Houston, TX | 0.9746 |
| Huntington-Ashland, WV-KY-OH | 0.9251 |
| Huntsville, AL | 0.8901 |

ADDENDUM J.—WAGE INDEX FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

| Area | Wage index |
|---|---|
| Indianapolis, IN | 0.9828 |
| Iowa City, IA | 0.9828 |
| Jackson, MS | 0.8587 |
| Jackson, TN | 0.9032 |
| Jacksonville, FL | 0.9225 |
| Johnson City-Kingsport-Bristol, TN-VA (VA Hospitals) | 0.8494 |
| Johnson City-Kingsport-Bristol, TN-VA (KY Hospitals) | 0.8384 |
| Johnstown, PA | 0.0000 |
| Jonesboro, AR (AR Hospitals) | 0.7906 |
| Jonesboro, AR (MO Hospitals) | 0.8099 |
| Joplin, MO | 0.8700 |
| Kalamazoo-Battlecreek, MI | 1.0490 |
| Kansas City, KS-MO | 0.9809 |
| Knoxville, TN | 0.9090 |
| Kokomo, IN | 0.9031 |
| Lafayette, LA | 0.8392 |
| Lakeland-Winter Haven, FL | 0.9170 |
| Las Vegas, NV-AZ | 1.1018 |
| Lawton, OK | 0.8073 |
| Lexington, KY | 0.8629 |
| Lima, OH | 0.9515 |
| Lincoln, NE | 0.9133 |
| Little Rock-North Little Rock, AR | 0.8926 |
| Longview-Marshall, TX | 0.8588 |
| Los Angeles-Long Beach, CA | 1.2044 |
| Louisville, KY-IN | 0.9382 |
| Lubbock, TX | 0.7809 |
| Lynchburg, VA | 0.9114 |
| Macon, GA | 0.9296 |
| Madison, WI | 1.0188 |
| Mansfield, OH | 0.8989 |
| Medford-Ashland, OR | 1.0408 |
| Memphis, TN-AR-MS | 0.8667 |
| Miami, FL | 0.9878 |
| Milwaukee-Waukesha, WI | 0.9901 |
| Minneapolis-St. Paul, MN-WI | 1.0969 |
| Missoula, MT | 0.9139 |
| Mobile, AL | 0.8181 |
| Modesto, CA | 1.0606 |
| Monmouth-Ocean, NJ | 1.1290 |
| Monroe, LA | 0.8191 |
| Montgomery, AL | 0.7853 |
| Nashville, TN | 0.9283 |
| New Haven-Bridgeport-Stamford-Waterbury-. | |
| Danbury, CT | 1.2520 |
| New London-Norwich, CT | 1.1683 |
| New Orleans, LA | 0.9050 |
| New York, NY | 1.3936 |
| Newark, NJ | 1.1546 |
| Newburgh, NY-PA | 1.0820 |
| Norfolk-Virginia Beach-Newport News, VA-NC | 0.8714 |
| Oakland, CA | 1.5324 |
| Ocala, FL | 0.9343 |
| Odessa-Midland, TX | 0.8910 |
| Oklahoma City, OK | 0.8997 |
| Omaha, NE-IA | 1.0089 |
| Orange County, CA | 1.1726 |
| Orlando, FL | 0.9537 |
| Peoria-Pekin, IL | 0.8854 |
| Philadelphia, PA-NJ | 1.0675 |
| Phoenix-Mesa, AZ | 0.9562 |
| Pine Bluff, AR | 0.7760 |
| Pittsburgh, PA | 0.9268 |
| Pittsfield, MA | 0.9869 |
| Pocatello, ID | 0.9013 |

ADDENDUM J.—WAGE INDEX FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

| Area | Wage index |
|---|---|
| Portland, ME | 0.9698 |
| Portland-Vancouver, OR-WA | 1.0792 |
| Provo-Orem, UT | 1.0088 |
| Raleigh-Durham-Chapel Hill, NC | 0.9978 |
| Rapid City, SD | 0.8936 |
| Reading, PA | 0.9126 |
| Redding, CA | 1.1249 |
| Reno, NV | 1.0445 |
| Richland-Kennewick-Pasco, WA | 1.1209 |
| Richmond-Petersburg, VA | 0.9735 |
| Roanoke, VA | 0.8703 |
| Rochester, MN | 1.2263 |
| Rockford, IL | 0.9456 |
| Sacramento, CA | 1.1636 |
| Saginaw-Bay City-Midland, MI | 0.9709 |
| St. Cloud, MN | 0.9858 |
| St. Joseph, MO | 0.8300 |
| St. Louis, MO-IL | 0.8907 |
| Salinas, CA | 1.4772 |
| Salt Lake City-Ogden, UT | 1.0035 |
| San Antonio, TX | 0.8649 |
| San Diego, CA | 1.1247 |
| Santa Fe, NM | 0.9927 |
| Santa Rosa, CA | 1.2891 |
| Sarasota-Bradenton, FL | 0.9367 |
| Savannah, GA | 0.9841 |
| Seattle-Bellevue-Everett, WA | 1.1571 |
| Sherman-Denison, TX | 0.9090 |
| Shreveport-Bossier City, LA | 0.8813 |
| Sioux City, IA-NE | 0.8736 |
| Sioux Falls, SD | 0.8950 |
| South Bend, IN | 0.9902 |
| Spokane, WA | 1.0770 |
| Springfield, IL | 0.8654 |
| Springfield, MO | 0.8236 |
| Stockton-Lodi, CA | 1.0630 |
| Syracuse, NY | 0.9519 |
| Tampa-St. Petersburg-Clearwater, FL | 0.9238 |
| Texarkana,AR-Texarkana, TX | 0.8193 |
| Toledo, OH | 0.9863 |
| Topeka, KS | 0.8840 |
| Tucson, AZ | 0.8993 |
| Tulsa, OK | 0.8398 |
| Tuscaloosa, AL | 0.8303 |
| Tyler, TX | 0.9249 |
| Vallejo-Fairfield-Napa, CA | 1.3544 |
| Victoria, TX | 0.8668 |
| Waco, TX | 0.8671 |
| Washington, DC-MD-VA-WV | 1.0852 |
| Waterloo-Cedar Falls, IA | 0.8970 |
| Wausau, WI | 0.9710 |
| West Palm Beach-Boca Raton, FL | 0.9929 |
| Wichita, KS | 0.9235 |
| Wichita Falls, TX | 0.7918 |
| Wilmington-Newark, DE-MD | 1.0973 |
| Wilmington, NC | 0.9336 |
| York, PA | 0.9140 |
| Youngstown-Warren, OH | 0.9485 |
| Rural Alabama | 0.7853 |
| Rural Florida | 0.8907 |
| Rural Illinois (IA Hospitals) | 0.8395 |
| Rural Illinois (MO Hospitals) | 0.8301 |
| Rural Kentucky | 0.8079 |
| Rural Louisiana | 0.7719 |
| Rural Massachusetts | 1.0417 |
| Rural Michigan | 0.8961 |
| Rural Minnesota | 0.9249 |
| Rural Mississippi | 0.7759 |

ADDENDUM J.—WAGE INDEX FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

| Area | Wage index |
|---|---|
| Rural Missouri | 0.8099 |
| Rural Montana | 0.8567 |
| Rural Nebraska | 0.8283 |
| Rural Nevada | 0.9097 |
| Rural Texas | 0.7759 |
| Rural Washington | 1.0274 |
| Rural Wyoming | 0.8890 |

[FR Doc. 02–20146 Filed 8–6–02; 12:38 pm]
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Friday,
August 9, 2002

# Part VIII

# Department of Education

## Office of Special Education and Rehabilitative Services; Special Education—Technical Assistance and Dissemination to Improve Services and Results for Children With Disabilities; Notice

## DEPARTMENT OF EDUCATION

**[CFDA No.: 84.326B]**

## Office of Special Education and Rehabilitative Services; Special Education—Technical Assistance and Dissemination To Improve Services and Results for Children With Disabilities

**AGENCY:** Department of Education.

**ACTION:** Notice inviting applications for new awards for fiscal year (FY) 2002.

**SUMMARY:** The Assistant Secretary for Special Education and Rehabilitative Services invites applications for FY 2002 under the Special Education—Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities. This program is authorized by the Individuals with Disabilities Education Act (IDEA), as amended. This notice provides closing dates, a priority, and other information regarding the transmittal of applications.

### Waiver of Rulemaking

It is generally our practice to offer interested parties the opportunity to comment on proposed priorities. However, section 661(e)(2) of IDEA makes the rulemaking procedures in the Administrative Procedure Act (5 U.S.C. 553) inapplicable to the priority in this notice.

### General Requirements

(a) The project funded under this notice must make positive efforts to employ and advance in employment qualified individuals with disabilities in project activities (see section 606 of IDEA).

(b) Applicants and grant recipients funded under this notice must involve individuals with disabilities or parents of individuals with disabilities in planning, implementing, and evaluating the projects (see section 661(f)(1)(A) of IDEA).

(c) The project funded under this priority must budget for a two-day Project Directors' meeting in Washington, DC during each year of the project.

(d) If the project maintains a Web site, it must include relevant information and documents in an accessible form.

*Purpose of Program:* The purpose of this program is to provide technical assistance and information—through such mechanisms as institutes, regional resource centers, clearinghouses, and programs that support States and local entities in building capacity—to (1) improve early intervention, educational, and transitional services and results for children with disabilities and their families; and (2) address systemic-change goals and priorities.

*Eligible Applicants:* State educational agencies, local educational agencies, institutions of higher education, other public agencies, nonprofit private organizations, for-profit organizations, outlying areas, freely associated States, and Indian tribes or tribal organizations.

*Applications Available:* August 9, 2002.

*Deadline for Transmittal of Applications:* September 9, 2002.

*Intergovernmental Review:* This program is subject to the requirements of Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive Order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

*Deadline for Intergovernmental Review:* September 19, 2002.

*Estimated Available Funds:* $700,000.

*Maximum Awards:* $700,000.

*Estimated Number of Awards:* Under this priority, the Secretary will make one award for a cooperative agreement.

**Note:** The Department is not bound by any estimates in this notice.

*Project Period:* The project funded in this notice is for a project period of up to 60 months.

*Applicable Regulations:* (a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 74, 75, 77, 79, 80, 81, 82, 85, 86, 97, 98, and 99; and (b) The selection criteria, chosen from the general selection criteria in 34 CFR 75.210. The specific selection criteria for this priority are included in the application package for the competition.

**Note:** The regulations in 34 CFR part 86 apply to institutions of higher education only.

*Priority:* Under sections 661(e) and 685 of IDEA and 34 CFR 75.105(c)(3), we give an absolute preference to applications that meet the following priority. We will fund under this competition only those applications that meet this priority:

*Absolute Priority—Urban Inclusion Technical Assistance Center (84.326B)*

*Background:* Compared with suburban and rural local educational agencies (LEAs), urban LEAs place disproportionately more children with disabilities, particularly children with severe disabilities, in segregated classrooms or in separate schools, where they are less likely to have access to and instruction in the general education curriculum. In urban LEAs, special education services are often not aligned with or part of comprehensive school improvement efforts because special education is viewed as a separate system or a placement.

In addition, in many schools special education is seen as the only viable option to provide support to students who are falling behind. In these cases, children who could benefit substantially from scientifically-based interventions in such areas as reading are unnecessarily referred to special education.

*Priority:* The purpose of this priority is to support a center to promote placing children with disabilities in general education classrooms by assisting urban schools and LEAs to implement practices that have been shown to be effective in providing expanded access to, and improving results in, the general education classroom. In conducting its activities, the Center must put particular emphasis on education in the general education curriculum.

The Center funded under this priority must do the following:

(a) Identify effective practices for promoting inclusive placement in general education classrooms. These practices must include both effective practices in educating children, including early identification of children with learning difficulties and pre-referral intervention strategies, and effective practices in assisting and encouraging schools and LEAs to adopt those practices. The Center must identify these practices through such means as the Department's ''What Works'' clearinghouse, and planned OSERS centers targeted on (1) disproportionate representation of culturally and linguistically diverse students in special education and (2) improving access to and participation in the general education curriculum for children in elementary and secondary schools.

(b) Conduct a range of activities using the practices identified in paragraph (a) that promote instruction and support services in general education classrooms. These activities must include:

(1) General dissemination activities such as maintenance of a website and presentations at conferences that provide information on effective practices to broad audiences; and

(2) Creating partnerships with a limited number of LEAs that have

demonstrated the ability and willingness to adopt new practices to help them design, implement, and evaluate practices that will expand or improve education in inclusive general education classroom for students with disabilities, including students with severe disabilities. Through these partnerships, the Center must provide technical assistance, training, and other support to the LEAs.

(c) In promoting access and participation in general education classrooms, the Center must:

(1) Take advantage of new tools for improving results for students provided by the No Child Left Behind (NCLB) Act of 2002. These include:

(A) School accountability for all students including, specifically, students with disabilities;

(B) Curricula and accountability systems aligned with statewide accountability systems; and

(C) State academic achievement standards that address, at a minimum, reading and mathematics; and

(2) Address the need for on-going, high quality professional development to ensure that personnel have skills and knowledge based on the most current findings related to effective practice; and

(3) Include ways that families, communities, and schools can work together to improve results.

(d) Evaluate its activities based on clear, measurable goals that are clearly linked to results.

*Fourth and Fifth Years of Project:* In deciding whether to continue this project for the fourth and fifth years, the Secretary will consider the requirements of 34 CFR 75.253(a) for continuation awards.

The Secretary will also consider the following:

(a) The recommendation of a review team consisting of experts selected by the Secretary. The team will conduct its review in Washington, DC during the last half of the project's second year. A project must budget for the travel associated with this one-day intensive review.

(b) The timeliness and effectiveness with which all requirements of the negotiated cooperative agreement have been or are being met by the project.

(c) Evidence of the degree to which the project's activities have contributed to changed practice and improved student outcomes.

*Page Limit:* Part III of each application submitted under this notice, the application narrative, is where an applicant addresses the selection criteria that are used by reviewers in evaluating the application. You must limit Part III to the equivalent of no more than 70 pages, using the following standards:

- A ''page'' is 8.5″ x 11″ (on one side only) with one-inch margins (top, bottom, and sides).
- Double-space (no more than three lines per vertical inch) all text in the application narrative, including titles, headings, footnotes, quotations, and captions, as well as all text in charts, tables, figures, and graphs.
- Use a font that is either 12-point or larger or no smaller than 10 pitch (characters per inch).

The page limit does not apply to Part I—the cover sheet; Part II—the budget section, including the narrative budget justification; Part IV, the assurances and certifications; or the one-page abstract, the resumes, the bibliography or references, or the letters of support. However, you must include all of the application narrative in Part III.

We will reject without consideration or evaluation any application if —

- You apply these standards and exceed the page limit; or
- You apply other standards and exceed the equivalent of the page limit.

*For Applications Contact:* Education Publications Center (ED Pubs), PO Box 1398, Jessup, Maryland 20794–1398. Telephone (toll free): 1–877–4ED-Pubs (1–877–433–7827). FAX: 301–470–1244. If you use a telecommunications device for the deaf (TDD), you may call (toll free) 1–877–576–7734.

You may also contact Ed Pubs at its Web site: *http://www.ed.gov/pubs/edpubs.html.*

Or you may contact Ed Pubs at its e-mail address: *edpubs@inet.ed.gov.*

If you request an application from Ed Pubs, be sure to identify this competition as follows: CFDA No. 84.326B.

**FOR FURTHER INFORMATION CONTACT:** Grants and Contracts Services Team, U.S. Department of Education, 400 Maryland Avenue, SW., room 3317, Switzer Building, Washington, DC 20202–2550. Telephone: (202) 205–8207.

If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1–800–877–8339.

Individuals with disabilities may obtain this document in an alternative format (e.g., Braille, large print, audiotape, or computer diskette) on request to the Grants and Contracts Services Team under **FOR FURTHER INFORMATION CONTACT**.

However, the Department is not able to reproduce in an alternative format the standard forms included in the application package.

*Electronic Access to This Document*

You may view this document, as well as all other Department of Education documents published in the **Federal Register**, in text or Adobe Portable Document Format (PDF) on the internet at the following site: *www.ed.gov/legislation/FedRegister.*

To use PDF you must have Adobe Acrobat Reader, which is available free at this site. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll free, at 1–888–293–6498; or in the Washington, DC, area at (202) 512–1530.

**Note:** The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available on GPO Access at: *http://www.access.gpo/nara/index.html.*

**Program Authority:** 20 U.S.C. 1485.

Dated: August 6, 2002.

**Loretta Petty Chittum,**

*Acting Assistant Secretary for Special Education and Rehabilitative Services.*

[FR Doc. 02–20255 Filed 8–8–02; 8:45 am]

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Federal Register

Friday,
August 9, 2002

# Part IX

# Department of Housing and Urban Development

## 24 CFR Parts 200 and 203

## Single Family Mortgage Insurance; Section 203(k) Consultant Placement and Removal Procedures; Final Rule

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**24 CFR Parts 200 and 203**

**[Docket No. FR–4592–F–02]**

**RIN 2502–AH51**

# Single Family Mortgage Insurance; Section 203(k) Consultant Placement and Removal Procedures

**AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

**ACTION:** Final rule.

**SUMMARY:** This final rule establishes placement and removal procedures for HUD's list of qualified consultants under the Section 203(k) Rehabilitation Loan Insurance Program. A 203(k) lender may select a qualified independent consultant, who is an expert in the field of home inspection, cost estimating, and construction, to perform various tasks required for the rehabilitation of the property. The establishment of these placement and removal procedures will better protect 203(k) borrowers and lenders, and safeguard Federal Housing Administration (FHA) insurance funds. This final rule follows publication of an October 24, 2001 proposed rule.

**DATES:** *Effective Date:* September 9, 2002.

*Comment Due Date:* October 8, 2002.

**ADDRESSES:** Interested persons are invited to submit comments regarding this rule to the Rules Docket Clerk, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410. Communications should refer to the above docket number and title. Facsimile (FAX) comments are not acceptable. A copy of each communication will be available for public inspection and copying between 7:30 a.m. and 5:30 p.m. weekdays at the above address.

**FOR FURTHER INFORMATION CONTACT:** Vance T. Morris, Director, Office of Single Family Program Development, Room 9266, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410–8000; telephone (202) 708–2121 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number via TTY by calling the toll-free Federal Information Relay Service at (800) 877–8339.

## SUPPLEMENTARY INFORMATION

### I. Background—The October 24, 2001 Proposed Rule

On October 24, 2001 (66 FR 53930), HUD published a proposed rule for public comment to establish placement and removal procedures for HUD's list of qualified consultants under the Section 203(k) Rehabilitation Loan Insurance Program. The 203(k) Program is the primary Federal Housing Administration (FHA) program for the rehabilitation and repair of single family properties. Section 203(k) loan insurance enables homebuyers and homeowners to finance both the purchase (or refinance) of a house and the cost of its rehabilitation through a single mortgage.

One of the most time consuming and difficult parts of the 203(k) loan process is for the borrower to properly prepare the required cost estimate, work write-up, and architectural exhibits. A borrower using the 203(k) Program may choose to have a qualified independent consultant, who is an expert in the field of home inspection, cost estimating, and construction, perform these tasks. The lender will then select a consultant and determine the scope of the work to be performed. The use of a consultant by the borrower is not required. However, many borrowers choose to use consultants to expedite processing of their 203(k) loans.

HUD, through its four Homeownership Centers (HOCs), maintains lists of qualified consultants on the applicable internet website. A lender may only select a consultant included on a HOC's list. Presently, there are no regulatory procedures for placing a consultant on, nor for removing a poorly performing consultant from the list. HUD published the October 24, 2001 proposed rule to establish such policies and procedures. The establishment of these placement and removal procedures will better protect 203(k) borrowers and lenders, and safeguard the FHA insurance fund. The October 24, 2001 proposed rule provides additional details regarding the 203(k) consultant placement and removal procedures.

### II. This Final Rule

This final rule follows publication of the October 24, 2001 proposed rule. The public comment period on the proposed rule closed on December 24, 2001. HUD did not receive any public comments on the proposed rule; however, it has made three changes to the policies and procedures contained in the October 24, 2001 proposed rule.

First, the final rule no longer provides that a 203(k) consultant may be removed from HUD's list for having served as the consultant on properties in foreclosure, default, or claim status. HUD has determined that further consideration is required regarding this provision of the proposed rule, and the preamble of this rule, in Section IV, requests comment on specific issues related to establishing such a provision. After considering any comments that are received, should HUD at a future date decide to provide for the removal of 203(k) consultants based on excessive claim and default rates, it will do so through issuance of a new proposed rule.

Secondly, this final rule clarifies that a consultant may be removed from the 203(k) Consultant Roster for failure to retain standing as a state licensed home inspector, if the consultant is located in a state the requires such licensing. This final rule (as did the preceding October 24, 2001 proposed rule) provides that such licensing is required for placement on the Roster, but the proposed rule failed to specify that failure to maintain the licensing constituted grounds for removal. The final rule provides the necessary clarification.

Finally, § 203.50(l) of this final rule clarifies that, once a 203(k) borrower chooses to use the services of a consultant, the lender must select a consultant that has been placed on the 203(k) Consultant Roster. The proposed regulatory language would only have provided that a lender ''may'' select a consultant placed on the Roster. This language might have caused some 203(k) lenders to incorrectly assume that consultants not included on the Roster were eligible for selection.

### III. Small Business Concerns Related to the Removal of Consultants

With respect to removing a 203(k) consultant from the list, or taking other appropriate enforcement action against a consultant, HUD is cognizant that section 222 of the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121) (referred to as ''SBREFA'') requires the Small Business and Agriculture Regulatory Enforcement Ombudsman to ''work with each agency with regulatory authority over small businesses to ensure that small business concerns that receive or are subject to an audit, on-site inspection, compliance assistance effort or other enforcement related communication or contact by agency personnel are provided with a means to comment on the enforcement activity conducted by this personnel.'' To implement this statutory provision, the Small Business Administration has

requested that agencies include the following language on agency publications and notices that are provided to small businesses concerns at the time the enforcement action is undertaken. The language is as follows:

Your Comments Are Important

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the enforcement actions of [insert agency name], call 1–888–REG–FAIR (1–888–734–3247).

As HUD stated in its notice describing HUD's actions on the implementation of SBREFA, which was published on May 21, 1998 (63 FR 28214), HUD intends to work with the Small Business Administration to provide small entities with information on the Fairness Boards and National Ombudsman program, at the time enforcement actions are taken, to ensure that small entities have the full means to comment on the enforcement activity conducted by HUD.

## IV. Request for Public Comment

HUD seeks to establish clear, consistent and familiar standards and procedures for a consultant to maintain status on, or be removed from, the 203(k) Consultant Roster. HUD is therefore seeking comment on whether, and if so, in what manner, it should establish ''serving, or having served, as the rehabilitation consultant for properties securing 203(k) mortgages of which a significant percentage are in foreclosure, default or claim status'' as a basis for removal from the Roster. In particular, HUD requests comments on the following issues:

1. Whether HUD should establish a minimum number of consultations as a threshold for any action, and if so, what number would be appropriate.

2. Whether HUD should specify the age of 203(k) mortgages that would be considered under a standard, and what age would be appropriate (*e.g.*, consultations on properties securing 203(k) mortgages not more than one, two or three years old.

3. What percentage of foreclosure, default or claims should be considered.

4. What period of time over which consultations are conducted should be used for evaluation purposes (*e.g.*, consultations over 12 months, or 18 months, or 24 months)?

5. What factors in addition to the percent of loan defaults, foreclosures and claims should HUD consider in evaluating consultant performance?

6. Should the severity of loss be considered as a factor in evaluating a consultant's performance?

7. If included as a factor, how should severity of loss be considered in evaluating performance?

8. What kinds of factors should be considered as mitigating for a consultant with higher than normal default, foreclosure and claim rates?

9. What are appropriate procedures and factors to consider for removal?

10. What is an appropriate period of removal from the Roster before a reinstatement is permitted?

11. What are appropriate procedures and factors to consider for reinstatement?

## V. Findings and Certifications

### *Public Reporting Burden*

The information collection requirements contained in this final rule have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520) and assigned OMB Control Number 2502–0527. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

### *Regulatory Planning and Review*

The Office of Management and Budget (OMB) reviewed this rule under Executive Order 12866, *Regulatory Planning and Review.* OMB determined that this rule is a ''significant regulatory action'' as defined in section 3(f) of the Order (although not an economically significant regulatory action under the Order). Any changes made to this rule as a result of that review are identified in the docket file, which is available for public inspection in the office of the Department's Rules Docket Clerk, Room 10276, 451 Seventh Street, SW., Washington, DC 20410–0500.

### *Environmental Impact*

This final rule establishes placement and removal procedures for HUD's list of qualified 203(k) rehabilitation loan consultants. The final rule does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new construction, or establish, revise, or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this final rule is categorically excluded from environmental review under the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*).

### *Regulatory Flexibility Act*

The Secretary has reviewed this final rule before publication, and by approving it certifies, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), that this final rule will not have a significant economic impact on a substantial number of small entities. The reasons for HUD's determination are as follows.

The final rule establishes the procedure by which a consultant, who has violated FHA single family mortgage insurance program requirements, may be removed from HUD's list of qualified 203(k) consultants. Accordingly, to the extent that this final rule impacts small entities it will be as a result of actions taken by small entities themselves—that is, violation of single family program regulations and requirements.

Further, the final rule provides several procedural safeguards designed to minimize any potential impact on small entities. For example, the rule grants consultants, selected for removal from the list, the opportunity to provide a written response and to request a conference regarding a proposed removal. The rule also specifies that the official designated by HUD to review an appeal may not be the same HUD official involved in the initial removal decision. In addition, the examination requirements will be ''phased-in'' for consultants on the list, and will not take effect until six months after the effective date of promulgation. This delayed effective date will provide consultants on the list with additional time to meet the new requirements.

### *Executive Order 13132, Federalism*

Executive Order 13132 (entitled ''Federalism'') prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial direct compliance costs on State and local governments and is not required by statute, or the rule preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive Order. This final rule will not have federalism implications and will not impose substantial direct compliance costs on State and local governments or preempt State law within the meaning of the Executive Order.

*Unfunded Mandates Reform Act*

Title II of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments, and on the private sector. This final rule will not impose any Federal mandates on any State, local, or tribal governments, or on the private sector, within the meaning of the Unfunded Mandates Reform Act of 1995.

*Catalog of Federal Domestic Assistance Numbers*

The Catalog of Federal Domestic Assistance Number for the Section 203(k) Rehabilitation Loan Insurance program is 14.108.

**List of Subjects**

*24 CFR Part 200*

Administrative practice and procedure, Claims, Equal employment opportunity, Fair housing, Home improvement, Housing standards, Incorporation by reference, Lead poisoning, Loan programs—housing and community development, Minimum property standards, Mortgage insurance, Organization and functions (Government agencies), Penalties, Reporting and recordkeeping requirements, Social security, Unemployment compensation, Wages.

*24 CFR Part 203*

Hawaiian Natives, Home improvement, Indians—lands, Loan programs—housing and community development, Mortgage insurance, Reporting and recordkeeping requirements, Solar energy.

Accordingly, for the reasons described in the preamble, HUD amends 24 CFR parts 200 and 203 as follows:

## PART 200—INTRODUCTION TO FHA PROGRAMS

1. The authority citation for 24 CFR part 200 is revised to read as follows:

**Authority:** 12 U.S.C. 1702–1715z–21; 42 U.S.C. 3535(d).

2. In subpart F, add §§ 200.190–200.193, under a new undesignated center heading reading ''Section 203(k) Rehabilitation Loan Consultants,'' to read as follows:

### Subpart F—Placement and Removal Procedures for Participation in FHA Programs

Section 203(k) Rehabilitation Loan Consultants

**§ 200.190 HUD list of qualified 203(k) consultants.**

(a) *Qualified consultant list.* HUD maintains a list of qualified consultants for use in the rehabilitation loan insurance program authorized by section 203(k) of the National Housing Act (12 U.S.C. 1709(k)) (referred to as the ''203(k) Program'').

(b) *Consultant functions.* Only a consultant included on the list may be selected by the lender to conduct any consultant function under the 203(k) Program (see § 203.50(l) of this title).

(c) *Disclaimer.* The inclusion of a consultant on the list means only that the consultant has met the qualifications and conditions prescribed by the Secretary for placement on the list of consultants qualified for the 203(k) Program. The inclusion of a consultant on the list does not create or imply a warranty or endorsement by HUD of the consultant, nor does it represent a warranty of any work performed by the consultant.

**§ 200.191 Placement of 203(k) consultant.**

(a) *Application.* To be considered for placement on the list, a consultant must apply to HUD using an application (or materials) in a form prescribed by HUD.

(b) *Eligibility.* To be eligible for placement on the list:

(1) The consultant must demonstrate to HUD that it either:

(i) Has at least three years' experience as a remodeling contractor, general contractor or home inspector; or

(ii) Is a state-licensed architect or state-licensed engineer;

(2) If located in a state that requires the licensing of home inspectors, the consultant must submit proof of such licensing;

(3) The consultant must submit a narrative description of the consultant's ability to perform home inspections, prepare architectural drawings, use proper methods of cost estimating and complete draw inspections.

(4) The consultant must certify that it has read and fully understands the requirements of the HUD handbook on the 203(k) Program (4240.4) and all HUD Mortgagee Letters and other instructions relating to the 203(k) Program.

(5) The consultant must not be listed on:

(i) The General Services Administration's Suspension and Debarment List;

(ii) HUD's Limited Denial of Participation List; or

(iii) HUD's Credit Alert Interactive Voice Response System.

(6) The consultant must have passed a comprehensive examination on the 203(k) Program, if HUD has developed such an exam.

(c) *Delayed effective date of examination requirement for consultants currently on the list.* Consultants who are included on the list on the date when the requirement for the examination described in paragraph (b)(6) of this section becomes effective have until 6 months following this date to pass the comprehensive exam. Failure to pass the examination by the deadline date constitutes cause for removal under § 200.192.

**§ 200.192 Removal of 203(k) consultant.**

(a) *Cause for removal.* HUD may remove a consultant from the list for any cause that HUD determines to be detrimental to HUD or its programs. Cause for removal includes, but is not limited to:

(1) Poor performance on a HUD quality control field review;

(2) Failure to comply with applicable regulations or other written instructions or standards issued by HUD;

(3) Failure to comply with applicable Civil Rights requirements;

(4) Being debarred or suspended, or subject to a limited denial of participation;

(5) Misrepresentation or fraudulent statements;

(6) Failure to retain standing as a state licensed architect or state-licensed engineer (unless the consultant can demonstrate the required three years experience as a home inspector or remodeling contractor);

(7) Failure to retain standing as a state licensed home inspector, if the consultant is located in a sate that requires such licensing; or

(8) Failure to respond within a reasonable time to HUD inquiries or requests for documentation.

(b) *Procedure for removal.* A consultant that is debarred or suspended, or subject to a limited denial of participation will be *automatically* removed from the list. In all other cases, the following procedure for removal will be followed:

(1) HUD will give the consultant written notice of the proposed removal. The notice will state the reasons for, and the duration of, the proposed removal.

(2) The consultant will have 20 days from the date of the notice (or longer, if provided in the notice) to submit a written response appealing the proposed removal and to request a conference. A request for a conference must be in writing and must be submitted along with the written response.

(3) A HUD official will review the appeal and send a response either

affirming, modifying, or canceling the removal. The HUD official will not be someone who was involved in HUD's initial removal decision. HUD will respond with a decision within 30 days of receiving the appeal or, if the consultant has requested a conference, within 30 days after the completion of the conference. HUD may extend the 30-day period by providing written notice to the consultant.

(4) If the consultant does not submit a timely written response, the removal will be effective 20 days after the date of HUD's initial removal notice (or after a longer period provided in the notice). If a written response is submitted, and the removal decision is affirmed or modified, the removal will be effective on the date of HUD's notice affirming or modifying the initial removal decision.

(c) *Placement on the list after removal.* A consultant that has been removed from the list may apply for placement on the list (in accordance with § 200.191) after the period of the consultant's removal from the list has expired. An application will be rejected if the period for the consultant's removal from the list has not expired.

(d) *Other action.* Nothing in this section prohibits HUD from taking such other action against a consultant, as provided in 24 CFR part 24, or from seeking any other remedy against a consultant available to HUD by statute or otherwise.

**§ 200.193 Responsibilities of 203(k) consultants on the list.**

All consultants included on the list are responsible for:

(a) Obtaining and reading the HUD handbook on the 203(k) Program (4240.4) and any updates to the handbook.

(b) Complying with the HUD handbook on the 203(k) Program (4240.4), and any updates to the handbook, when performing any consultant function under the 203(k) Program.

(c) Obtaining and reading all Mortgagee Letters and other instructions issued by HUD relating to the 203(k) Program.

(d) Complying with all Mortgagee Letters and other instructions issued by HUD relating to the 203(k) Program, when undertaking any consultant function under the 203(k) Program.

(e) Complying with HUD's request for documentation relating to any 203(k) project on which the consultant has worked.

(f) Complying with HUD's monitoring requirements relating to the 203(k) Program.

## PART 203—SINGLE FAMILY MORTGAGE INSURANCE

3. The authority citation for 24 CFR part 203 continues to read as follows:

**Authority:** 12 U.S.C. 1709, 1710, 1715b, and 1715u; 42 U.S.C. 3535(d).

4. Add § 203.50(l) to read as follows:

**§ 203.50 Eligibility of rehabilitation loans.**

* * * * *

(l) *Rehabilitation loan consultants.* HUD maintains a list of qualified consultants, in accordance with §§ 200.190 through 200.193 of this title. When the borrower elects to use the services of a consultant, the lender must select a consultant on the list to perform one or more of the following tasks:

(1) Conduct a preliminary feasibility analysis before or after the submission of a sales contract;

(2) Prepare the cost estimate, work write-up, and architectural exhibits required for the rehabilitation of the property;

(3) Conduct a plan review; and

(4) Conduct the draw inspections for the release of funds during the construction phase of the project.

Dated: July 8, 2002.

**John C. Weicher,**

*Assistant Secretary for Housing—Federal Housing Commissioner.*

[FR Doc. 02–20240 Filed 8–8–02; 8:45 am]

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